DOCTORAL THESIS

Transformative or palliative?
A comparison of the role of the Social and Solidarity Economy in Argentina and the United Kingdom in the context of a neoliberal economy

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Transformative or palliative?
A comparison of the role of the Social and Solidarity Economy in Argentina and the United Kingdom in the context of a neoliberal economy

by

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ABSTRACT

The focus of this thesis is the role played by the Social and Solidarity Economy (SSE) in a global economy dominated by neoliberalism. Although neoliberalism is the hegemonic economic model, it has proved itself incapable of meeting the needs of large sectors of the population, and civil society has responded with its own solutions. These responses have theorised by academics from two opposing perspectives: either as a means of ameliorating the worst consequences of the free-market economy, or as an expression of a different economy that seeks economic emancipation. These two opposed conceptualisations are what I have identified as the ‘palliative’ and ‘transformative’ poles, and the dichotomy between them became the theoretical lenses for this research. Hence, the SSE is portrayed as a battlefield, in which hegemonic and counter-hegemonic actions form part of the discourse of the members of SSE organisations under study.

For me, the most appropriate methodological approach was poststructuralism, since it allowed me to question the narrow classical understanding of economics and shed light on counter-hegemonic economic forms. Moreover, through adopting the epistemology of the South I rejected Eurocentric conceptualisations of the SSE and highlighted the significance of building up a broader understanding of economic action. I conducted a critical ethnographic study that comprises the in-depth research of worker co-operatives and voluntary organisations in Argentina and the United Kingdom. Applying Critical Discourse Analysis (CDA) as a methodology this research provides a radical understanding of SSE organisations as part of an economy of resistance.

The thesis makes four distinct contributions to knowledge. First, I theorise the inherent contradiction in the SSE between the palliative and transformative poles, which the majority of literature glosses over. Secondly, this thesis creates a bridge between SSE theorisations in the Southern and Northern hemispheres, offering entirely novel comparative analysis especially in terms of the interaction of government policy and SSE activity. The philosophical approach is my third novel contribution, as this research uses
CDA in an ethnographic poststructural study for the first time. Finally, given my epistemological stance, my fourth contribution is a critique of the idea of the SSE as a unified economic sector, and a theorisation that embraces rather than concealing the inherent and timeless tensions between palliative and transformative action. Inevitably, this thesis has opened up many new questions to be addressed in future work, as the conceptualisation of the SSE is an essentially contested terrain, and one which has much potential to offer future scholars.
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ABBREVIATIONS

BigSoc - Big Society
CABA - Ciudad Autónoma de Buenos Aires (Autonomous City of Buenos Aires)
CommuniRing - British Voluntary Organisation
CONICET - Consejo Nacional de Investigaciones Científicas y Técnicas (Scientific and Technical Research National Council)
Culturando - Argentinian Voluntary Organisation
CDA - Critical Discourse Analysis
EMES - Emergence des Entreprises Sociales en Europe
ERTs - Empresas Recuperadas por sus Trabajadores (worker-recuperated enterprises)
FECOOTRA - Federación de Cooperativas de Trabajo de la República Argentina (Argentinian Worker Co-operatives Federation)
FRGC - Federación Red Gráfica Cooperativa (Co-operative Graphic Network Federation)
GDP - Gross Domestic Product
GrafiCoop - Argentinian Worker Co-operative
ICA - International Co-operative Alliance
IMF - International Monetary Fund
INAES - Instituto Nacional de Asociativismo y Economía Social (National Council of Associations and Social Economy)
INDEC - Instituto Nacional de Estadísticas y Censos (National Institute of Statistics and Census)
NGOs - Non-Governmental Organisations
NHS - National Health System
NPF - Non-Profit Sector
OECD - Organisation for Economic Co-operation and Development
OPEC - Organisation of Petroleum Exporting Countries
PrintCoop - British Worker Co-operative
SDF - Social Democratic Federation
ISI – Import-Substitution Industrialisation
SSE - Social and Solidarity Economy
TS - Third Sector
UCR - Civic Radical Union *(Union Civica Radical)*
VAT - Value Added Tax
VO - Voluntary organisation
WB - World Bank
WISEs - Work Integration Social Enterprises
WW2 - Second World War
CHAPTER 1

INTRODUCTION TO THE SOCIAL AND SOLIDARITY ECONOMY

1.1 Addressing the failure of the economic system

In ancient Greece, when the concept of economics was coined, it referred to two intertwined elements. On the one hand to the household, although in ancient times this was broader than today and could also include the community or village; and on the other to management or allocation or distribution of resources. Back then, the economy was underpinned by the idea of a general order and an order of human affairs; it was about the management of means to ensure people’s livelihood, and associations were central in achieving this. Defourny and Develtere (1999) have traced many forms of them in Greek and Egyptian cultures, which illustrates that they were a means to ensure livelihood within this particular system. Associations evolved over time in a range of forms, such as food co-operatives, professional bodies, artisans’ organisations, as a way to support and protect people. Craftsmen's associations, guilds and confraternities endowed assistance and mutual help throughout the Middle Ages (Moulaert and Ailenei, 2005). Thus, initially, economy was about livelihood, association, and resources being shared in the community.
This is a far cry from where we are today, where markets are controlled by corporations, people sell their labour and economic life is organised through the market. We currently live in a self-regulated market society, in which the three main components of social life - labour, land, and money- are commodified (see Chapter 3; Coraggio, 2010; Muellerleile, 2013). Although the second half of the 20th century has demonstrated rapid growth in economic activity, it has also made clear that the current economic model is based on crisis, regime adjustments and shifts, which appears as a new historical meta-narrative (Steffen et al., 2015). As an example of this, nearly 20% of countries experienced a banking crisis in any given year between 1975 and 2008 (Chang, 2014). One of the most recent and severe -the financial crisis of 2008- initially appeared to compromise the economic order, namely, neoliberalism. However, soon afterwards, free market orthodoxy reappeared and governments applied the politics of austerity - ‘opportunistic actions of the opponents of state provision to exploit the 2008 financial crisis to achieve their long-held aim of reducing welfare provision’ (Scott Cato and Raffaelli, 2017: 282). These schemes provoked more than 80 million extra unemployed globally and helped to undermine the last bastions of the welfare state (Chang, 2014).

The failure of the economic model is not a new feature, although it accelerated recently and contrasts with the post-war period (Chang, 2014). Despite the successful ascent of neoliberalism to become the hegemonic economic model, it has proved to be unsustainable as the market rationale has left large parts of the population alienated, disempowered, and disfranchised. The limitations of the economic system range from social exclusion to low levels of social welfare, morality, governance and sustainability (Laville, 2013; Dash, 2014; North and Scott Cato, 2017). Equally significantly, neoliberalism has shown its inability to sustain the wage labour system (Dinerstein and Neary, 2002). The overall result has been a decline in living conditions for the majority of people (UN, 2006). Moreover, in recent months, events such as the UK’s Brexit vote or the election in Argentina of Mauricio Macri, a political outsider, might be indicative of the
economic and social malaise associated with growing inequality and the erosion of democracy (Brown, 2016). Hence, this raises the question about whether this system based on capital and human exploitation is sustainable. In response to this, a range of actions have been put into practice by many social groups, and these form the basis of my study.

As a part of the response, Social and Solidarity Economy (SSE) organisations -such as co-operatives, mutual organisations, and associations- have proved to be a solution to the internal limitations of the prevailing economic model. Historically, the unmet need for social welfare was tackled through mutual organisations and co-operatives in Argentina and the United Kingdom (UK) back in the 19th century. Although some of them blamed modernisation and were focused on returning to previous historical forms of social order, others —following Robert Owen first and G.D.H. Cole later— became engaged in building a more sustainable, egalitarian, and better world. This form of provision of welfare was then absorbed into the state in the UK and had legislative underpinnings and political support in Argentina by the middle of the 20th century. This was the heyday of the welfare state that lasted for the three decades after the Second World War (Scott Cato and Raffaelli, 2017). However, the unpicking of the welfare state in the last decades of the 20th century led to the failure of services and an increasing support to the SSE mainly because it was seen as a partner in welfare provision.

As a consequence, a range of options in the provision of livelihood appeared in Argentina associated with co-operative entrepreneurism, whereas in the UK it provoked a rise in poverty and lack of secure employment, increasing the reliance on food banks and voluntary welfare provision (Scott Cato and Raffaelli, 2017). In spite of their particularities, can we consider all these initiatives as part of the SSE? Do the current examples of the SSE encourage independence and autonomy, and pursue a more egalitarian world as was its original motivation? Or do they work as a sticking-plaster that
conceals the deficiencies of the economic system rather than challenging them? Are people expressing a collective need for alternative economic forms or are they just isolated experiences? In sum, do these solutions to economic limitations provide a transformation of the economy into a better form, which is associative and equal, or do they respond merely by providing palliative services as a means to keep the system afloat?

Literature in this field has highlighted these two diametrically opposed understandings of the SSE. Neoclassical economics has theorised the SSE as a sector that looks to achieve an amelioration of the economic consequences of the profit-making rationale. Mainly, it is argued to be a second best employment option, the third sector, or a bridge through which those who are socially excluded can be re-included in the economic system (Borzaga and Loss, 2006); it is proposed to be subordinate to the market and public sectors. These theorisations mushroomed as a consequence of the partnership of the state and the SSE towards the end of the 20th century, giving place to social businesses such as social enterprises, which appropriated the traditional SSE discourse and combined it with a neoliberal governance form (Laville, 2011). Entrepreneurship became an instrumental skill, as SSE organisations have to act in the market, legitimising the hegemonic economic discourse and its mode of production, exchange and consumption. These new forms of SSE run counter to the original values of the sector forged in the 19th century.

In contrast, alternative economic theories drew on practical experiences of counter-hegemonic economic forms in history, which solved people’s problems in the community, and sought a transformation of the economic reality and the social relations that support it. Built on the values of cooperation, reciprocity, trust and plurality (Pearce, 2005), association appears as a collective response to intolerable situations incapable of being solved through the dominant economic structure (Coraggio, 2004). Moreover, according to this critical string, the SSE is entitled to be used to cover the withdrawal of the state from the provision of welfare (Laville and Salmon, 2014). SSE organisations have
colluded in the establishment of a partnership that has facilitated the extension of the market to sectors previously thought of as the public realm, a process matched by a continuing delegation by governments of the risk and responsibility for welfare provision (Peck and Tickell, 2002; Williams, et al. 2012). Hence, in contrast to neoclassical theories of the SSE and rather than accepting that marketisation is dominant and irreversible, these organisations pointed to the economic system as problematic. They are radical responses to the imbalances of the system, which emerge from the bottom, and challenge the economic hegemony.

Drawing upon these threads, my research explores the disagreements and tensions in the field of SSE, and will compare the differences between Argentina and the UK using the heuristic of a dichotomy between the transformation potential and palliative functions of such organisations. Also, it scrutinises whether the SSE has been assimilated by the government and if it appears as a single response to every social issue, or whether the sector could use the limelight to its own benefit and remain attached to its independent values. In addition, this revolves around to what extent the move from the margin to the mainstream the SSE experienced in recent years resulted from a marketisation process and whether it still resists the neoliberal hegemony. Following this introduction to the thesis, I present my research questions, the context of my research and my personal approach to the research problem, followed by an outline of the structure of the thesis.

1.2 Research questions and aims

My research addresses the unresolved paradox of the Social and Solidarity Economy (SSE), namely: whether its role should be to provide an alternative to capitalism or a means of ameliorating its worst effects, both in social and economic terms. I focus this paradox by investigating the consequences that the neoliberalisation process has had on
SSE organisations, the motivations that Argentinian and British\(^1\) governments have had when working with these organisations, and whether they are still a place of resistance or have been co-opted by market rationale.

Neoliberalisation is a powerful discourse opposed to the traditional principles of the SSE, which grew up in response to the intolerable social consequences of the first, liberal, phase of capitalism. I question whether the traditional concept of the SSE has been permeated by this opposed rationale, to what extent it can survive untouched, and how it resists in practice. The coexistence of these two poles within the SSE -namely, the palliative and the transformative- represent a risk that one could be absorbed by the other. Therefore, I analyse the isomorphic tendencies to which the SSE has been exposed. In addition, partnership with governments, the emergence of social enterprises, and the close link between them and neoliberal underpinnings suggest that the SSE has been co-opted by the market ideology, in contrast with the original values attached to cooperation, solidarity, trust and equity. Moreover, I navigate through the current values of the SSE, in order to identify the power relations to which it is exposed, and to what extent neoliberalism has permeated it, while recognising the difficulty in sustaining counter-hegemonic narratives (Cornforth 1995, 2014). Hence, my intention is to provide an up-to-date understanding of the role of the SSE in the 21st century, whose economy is deeply marked by marketisation, individuation, and globalisation.

This thesis embraces a complex and dynamic theorisation of the SSE, as the two identified, opposed theorisations of the SSE are constitutive of itself. In this vein, this research examines the discursive representations of the SSE, inquiring into how organisations’ members construct the role of the SSE, how it adapts, resists, or succumbs to the one proposed by the government, and to what extent marketisation has changed the original purpose of the SSE. In the origins of the SSE, it combined both

\(^1\)Although the legal entities of the United Kingdom and Great Britain are not interchangeable concepts, British has been used as an adjective to refer to United Kingdom's citizens, polices, government, etc. as it is in common practice, according to the Cambridge Dictionary.
political and economic claims; hence, I consider their coexistence is crucial to remaining at the transformative pole. However, neoliberal ideology is presented as apolitical; hence, in those organisations permeated by it the economic element might overcome the political. I argue that the shifting of SSE organisations from the margin to the mainstream due to governments’ interests (Kendall, 2005) implied a re-signification in discursive terms of SSE organisations, reducing their political significance and presenting them as a single, uniform sector.

Although with particularities in each continent, an interest in the SSE occurred in both Europe and Latin America. In this thesis, the cases of Argentina and the United Kingdom (UK) are analysed and compared. I focus particularly on two types of organisations: worker co-operatives and voluntary organisations (VOs), and question whether the SSE is a form of resistance within the current hegemonic economic discourse or whether it has been co-opted. Co-operatives are a particular formation in relation to collective work, whereas VOs concern themselves with the welfare of those they serve. Given these differences, I should be able to trace particularities in the form of resistance or acceptance of the discourse with respect to each. I am looking at the way in which the neoliberal discourse affects my chosen case-study organisations, to explore this central dichotomy.

My argument is that neoliberalisation has deeply eroded the traditional values of the SSE, which moved it from the transformative to the palliative pole. In addition, government interests are built on the understanding that the SSE can take over welfare responsibilities that previously belonged to the state, limiting the conceptualisation of the sector to the palliative role. These transformations lead me to question to what extent the SSE is still a point of resistance to neoliberalism. The central question that this research aims to address is whether the SSE is an alternative economic form to capitalism or it is a palliative for its consequences. My three research questions thus are:
RQ1: To what extent do participants in SSE organisations in the UK and Argentina see them as a basis for resistance to neoliberalism, providing socio-political and economic well-being, or a means of ameliorating its worst impacts?

RQ2- Have Argentinian and British governments supported the SSE in order to empower its organisations or to limit their own responsibility for welfare?

RQ3- To what extent are the transformations experienced by the SSE the result of a marketisation process arising from the neoliberal hegemony or to what extent is it still a place of resistance?

1.3 The research context

Through the 1990s, neoliberalisation became established as the hegemonic economic order (see Section 3.2) and ‘good governance’ best practices became part of its discourse, with structural adjustments being demanded by international organs, such as the World Bank (WB) and the International Monetary Fund (IMF). In this context, the introduction of governance and the withdrawal of the state coincided with the identification of social movements and organisations that belong to the SSE as partners of the government in the provision of public services (Laville and Salmon, 2014). This transformation of the SSE has been pointed out as structural, as it moved the SSE from the margin to the mainstream (Kendall, 2005), and led to a proliferation in number and types of SSE organisations that could cope with this new role.

Although the significance of SSE has increased in recent decades and academic work has reflected this, few academics focused specifically on the role of the SSE and whether it challenges the economic regime or works alongside it. My work fits into a thread of literature that analyses the economy in a broader way, in contrast to the narrow neoclassical view, and proposes that the current economic model is problematic in itself. This thesis provides a comprehensive rethinking of economic theory, and a theorisation
that encompasses many other activities excluded by neoclassical economics. They are non-monetary transactions, like those based on cooperation, reciprocity, ethics and common good, and non-market relations, such as all those concerned with unpaid household work. Hence, by suggesting that the economy is the result of three intertwined economic principles -market, redistribution, and reciprocity- (Evers and Laville, 2004; Coraggio, 2010), this thesis highlights the social roots of economic action and uncovers the limitations of the hegemonic regime in serving human interests.

This thesis specifically provides an insight into the SSE in Argentina and the UK in the 21st century, the role of organisations, the effects that public policies have provoked on the sector, and the consequences of marketisation on the sector. In all these dimensions, I trace indicative elements of resistance or acceptance of the hegemonic order, providing a theorisation about the SSE as palliative or transformative. The four case-studies, one VO and one co-op in each country, are useful in reflecting how SSE organisations have been affected by the hegemonic economic order, and to what extent they can challenge it.

Existing theories present SSE as a uniform entity; they conceal the tension between the transformative and palliative roles I have identified as important, and they conflict in their definition of what the SSE is. Therefore, this thesis presents all these concepts form a critical point of view, uncovering disagreements and exploring the multifarious forms that this impulse towards humanising the economy (Restakis, 2010) has taken in the UK and Argentina. The inherent tension of the SSE under the palliative — transformative dichotomy is the main theoretical contribution of my thesis. As neoliberalism is hegemonic, this research examines how the SSE and its organisations position themselves with regard to the current economic model. This positioning is the result of multiple actions, which can, as a consequence, give rise to tensions inside organisations concerning the two poles, challenging the monolithic idea of the SSE as a homogeneous sector. Moreover, this thesis explores the sector in the Northern and Southern
hemispheres and presents a comparison of a range of theories developed in particular geographical contexts. As a result, it aims to provide a global synthesis of the current trends in the development of the SSE. This is another important contribution I make in my research, as it brings the analysis of the SSE undertaken in Latin America and in Spanish into the Anglophone academic world. I also contribute to a better understanding of SSE in both countries through detailed analysis of a small number of specific case-study organisations.

Finally, I offer a contribution in terms of conducting a poststructural study in discourse analysis. Through Critical Discourse Analysis (CDA), this thesis is a critical ethnographic study of the SSE. This methodology assists in the engagement with social change and, as a problem-oriented theory, it is relevant in answering whether the SSE should provide an alternative economic model or alleviate the effects of the current one. This is my methodological contribution, as this approach has rarely been used in the study of the role of the SSE, either in a comparison of different socio-economic realities. In addition, this is the first study that uses CDA to analyse the SSE in Argentina written in English, which is another contribution I can make to the link between discourse theory with transformative economic models and hegemonic international forces.

### 1.4 My approach to the research field

I begin by acknowledging that neoliberalisation is the current hegemonic economic order, despite the fact that it has repeatedly left people behind and failed in providing a secure livelihood to the majority of the population in Argentina or secure employment in Europe.

In contrast with mainstream economic theorisations, I adopt the critical approach of heterodox economics. Substantivist economists, relying on Polanyi, highlight the limitations of an economic theory that is centred on the market (Gemici, 2008). In contrast to the formalistic standpoint of classical economics centred on the analysis of economic means, substantive economics is focused on the economic ends of individual
and social development. The ethics of care and social relations of solidarity and cooperation are embedded in the core of this theorisation, which stands in contrast to the individualism and competition on which classical economics is built. As part of substantivist economics and by presenting SSE as a contested field I am taking a particular position regarding reality as a socially constructed phenomenon. Hegemonic economic theorisations cover the fact that neoliberalism is a constructed discourse and make it appear as a universal truth. It draws on a positivist ontology and an empiricist epistemology, which reinforces the idea of neoclassical economics as objective, a conceptualisation that has been widely criticised (Langley and Mellor, 2002; Barry, 2009; Coraggio, 2010; McMurtry, 2012; Scott Cato, 2013). In contrast, I take another route. My theoretical outline argues that the economy is embedded in society (Muellerleile, 2013), which makes it culturally and historically conditioned, and able to change. Within this macro-structure, the SSE appears as a partial non-market option that provides livelihood with the collective as its main resource.

The selection of the concept of Social and Solidarity Economy is part of my counter-hegemonic understanding of economic action. Despite this concept is embedded with ideological assumptions—as any concept is—it reflects the original purpose of the SSE for mutual-aid, solidarity and collective action. Although not widely used in the UK before, it has been recently adopted (North and Scott Cato, 2017) and has been used both in Europe and Latin America (Laville, 2013; Coraggio, 2017). The concept of SSE also challenges the marginalisation of alternative economic activities and the hegemonic economic wisdom. Moreover, in the pursuit of avoiding reductionism my research is engaged with epistemological diversity (de Sousa Santos, 2012), due to the structural complexities of this research that deals with two different types of organisation in two countries. Through this, I call into question the Eurocentric essence of economic theory and highlight the cultural particularities of economic relations, acknowledging value and existence to economic actions not based on a capitalist either neo-colonial rationale.
As a researcher and practitioner in the field, I have observed the two opposed theorisations of the SSE—the palliative and transformative—in reality. During my time working with worker co-operatives in Argentina I observed that although they identify themselves with very radical economic forms, they struggled with economic sustainability in many cases. The same can be said of the case of voluntary organisations that challenge the dispossession caused by the economic regime through socio-political association. My previous professional experience as a researcher in Argentina provided me with some practical knowledge about the SSE that made me question the role of these organisations in society. This tension became clearer to me when I moved to the UK and saw that SSE performs differently in other places. These experiences drove my interest in the fundamental aim of theorising the SSE while at the same time questioning totalising theories. Conversely, this made me realise that in order to understand the role of the SSE in the context of a neoliberal society, I must understand reality as multi-faceted (Jørgensen and Phillips, 2002).

Gaining a comprehensive knowledge about the role of the SSE and its cultural particularities requires the appropriate methodology (which I will discuss further in Chapter 5). My work blends the subjective and radical change assumptions about the nature of science and society respectively (Burrell and Morgan, 1979; see Section 5.2), and assumes reality is socially constructed. I rely on poststructuralism, which is based on a multi-faceted conceptualisation of reality, and through the analysis of discourses I am able to reveal hidden power structures (Jørgensen and Phillips, 2002; Williams, 2014; see Section 5.3). This research approach provides me with the tools for questioning assumptions about hegemonic economics and the function of counter-hegemonic discourses in society. Within the broader spectrum of poststructuralism, discourse analysis was chosen as the particular research methodology. Specifically, I selected Critical Discourse Analysis (CDA) because of its concern with the radical transformations that occur in contemporary social life, with regard to the transformation of
representations, social relations and identities in processes of change (Fairclough, 1995; 2001).

This research could have been conducted in many other ways. The economic orthodoxy is a powerful discourse, and through the analysis of the discourse of members of the SSE I scrutinise whether it challenges the economic orthodoxy at source, or whether it has become blunted because of the weight of the hegemonic discourse. In this sense, my reflection is on how a global, abstract process impacts on concrete realities. Therefore, the discourses of members of SSE organisations give me access to the social structure in which they are immersed and the points of resistance to neoliberalism. I chose the four case-study organisations, not because I can assume they are indicative of the rest, but rather so that I can use them to ‘take the temperature’ of the extent to which SSE resists the hegemonic economic discourse. Rather than pretending a piece of research is representative of the whole SSE, my contribution is to develop some incipient theorisations about how the SSE discourse struggles to survive.

1.5 The structure of the thesis

This thesis comprises nine chapters, divided into two parts. The first part presents the theoretical framework of the research. Firstly, I present the socio-political history of the last century in the two countries that are the focus of this research, and discuss the ascendancy of neoliberalisation as the hegemonic economic discourse (Chapter 2). Moreover, I critically illustrate how this ascendancy was ideologically driven and corresponded with hidden political interests, and present an alternative theorisation of economic action. Each of these two opposed conceptualisations pursues a particular theorisation of social economic action, which are intertwined in reality in a way I refer to as the immanent tension of the SSE (Chapter 3). Differences in the field are rooted in the historical forms of the SSE and are also present in the public policies focused on the
sector during the last decade in the two countries, Argentina and the UK (Chapter 4). Then, the explanation of the methodological approach of this work (Chapter 5) articulates the theoretical and the practical approach. The second part of this research focuses on the empirical findings of my fieldwork; it discusses the role of SSE organisations in each country (Chapter 6), their links with public policies (Chapter 7) and their adaptation to market economy and how neoliberal ideology affects the SSE (Chapter 8), the three transversed by the palliative and transformative tension. Finally, in Chapter 9, I pull together the research findings to draw conclusions, also discussing the limitations of my work and opportunities for future study. Each chapter is described in detail below.

I use Chapter 2 to introduce the socio-economic history of each country and the confluence between the worldwide neoliberal tendency and its local anchorage. Particularly, this deals with how a global discourse that appears to be universal has been expressed in each national setting, and the distinctiveness it acquired. This provides the backdrop for the analysis of the SSE in the current context and how it has been transformed by neoliberalism. The chapter identifies three eras in the 20th century: namely, the heyday of capitalism, the welfare state or golden era, and the neoliberal turn. In each of them, I provide an overview of the tensions between working people and the interests of capital, with regard to their economic and political demands. Thus, although the histories of the two countries are dissimilar, parallels can be drawn between the means for ensuring working class well-being. In this chapter I also examine the forms of resistance that appeared during the 20th century.

The third chapter argues the discursive nature of neoliberalisation, and the particular conception of economic action that it puts forward. It outlines the significance of ideology in transforming a marginalised economic theory into the mainstream in just a few decades. Despite this, many social actors found the economic regime to be problematic in itself, which led social groups to think of and practice economic action in a different way. This alternative conceptualisation of economics draws on well-being, persons, and
nature, rather than capital, wealth and the market rationale. Further, I argue that from these two antagonistic economic theorisations, two contrasting understandings of the SSE arise. This is what I have identified as the immanent tension of the SSE, often glossed over in the literature. The palliative and transformative discourses are the terms I use in the analysis of the SSE, and I aim to explain where the balance lies between these two opposed forces. Moreover, the chapter provides a comprehensive theorisation of the dimensions of the SSE and about VOs and worker co-operatives.

The SSE appeared to many governments as a way to replace services previously covered by welfare state institutions, and many policies had the SSE as their focus in recent decades. This is the focus of Chapter 4, where I discuss two policies in particular: the Big Society in the case of the UK, and the Kirchner era policies in Argentina. Although they were different in their scope, they both relied on the SSE as a sector that could tackle the negative social consequences of neoliberalism. I explore whether these policies were grounded in a palliative or transformative position, and to what extent radical alternative forms have become integrated into hegemonic structures, such as the market or the state. Further, I question whether these policies were enforced according to the SSE principles or they only worked as a rhetoric empowerment underpinned in neoliberalism. Finally, I analyse the evolution of the SSE in each country, according to the three eras identified in Chapter 2.

The practicalities of my research are outlined in Chapter 5, where I focus on ‘how’ and ‘why’ I have conducted my research through critical ethnography. In addition to the theoretical methodological decisions I have made about how to undertake the research, I explain the reasons for the selected methodology of this work, within the broader range of the poststructuralist approach, and particularly Critical Discourse Analysis (CDA). Hence, by focusing on the social practice of the SSE and through the analysis of its dimensions -discourses, genres and styles- I can identify in what cases the discourse of the SSE performs against the neoliberal order, and in what others it succumbs to it. In
this vein, this chapter provides the foundations of the empirical analysis of my work.

The results of this research are presented in three chapters, each addressing one of the research questions. In the first of them (Chapter 6) I discuss the role of the two selected VOs and worker co-ops in Argentina and the UK. In particular, I explore the role of SSE organisations and whether they are resisting the neoliberalism or are a means of ameliorating its effects. I investigate the interconnectedness of the social and economic dimensions of co-ops and the complexity in social terms of the aim of VOs, the significance of their political dimension, their links with other organisations, the role of reciprocity and solidarity, and the meaning of co-operative and voluntary work. I present examples of submission by the SSE discourse to the hegemony of neoliberalism, and uncover the role the SSE performs in society. The analysis of the organisations provides me with the means for scaffolding the subsequent scrutiny.

In the following findings chapter (Chapter 7), I deal with the practical articulation between the SSE and public policies in each country, and the impact government co-optation had on the SSE. Although in Europe the significance of the SSE was given by its local roots and its entrepreneurialism, in Latin America it was a means for assisting the worst-off. Within this broader umbrella, the analysis is conducted on the basis of the Kirchner era policies in Argentina (Hands to Work, Self-managed Work Programme and Argentina Works among others), and the Big Society in the UK. The chapter proceeds to analyse how these policies were received by the SSE organisations and reveals to what extent they have pursued the political and economic interests of the hegemonic economic discourse. In particular, the chapter discusses how the institutionalisation of a new discourse with respect to the SSE has affected organisations’ representations regarding the palliative and transformative poles, whether these policies were an invited space or a popular space (Cornwall, 2004), and the identification with these policies.

The last of the three empirical chapters (Chapter 8), exposes that although neoliberalisation was a global discourse that neglected the particularities of countries, it
had to deal with them. Given this scenario, the chapter reveals the articulation between the global process and local SSE organisations through their resistance to or acceptance of this discourse. In sum, the chapter demonstrates the transformations that SSE organisations have experienced due to the ascendancy of a discourse grounded in opposed principles, and whether the SSE is still a place of resistance. Having the concept of *double movement* provided by Polanyi (Section 3.3), I discuss whether the idea of SSE has been captured and now it consists of organisations moving towards marketisation. As such, these organisation no longer challenge the status quo, but rather have become a mechanism to smooth out the rougher edges of capitalism, making it appear ‘kinder’ and more responsive. The result is to keep capitalism, which has been in crisis since 2008, alive. Hence I theorise this as palliative. Or the SSE could remain true to its history and offer a transformation of the social order. The analysis of the transformations is based on whether SSE organisations represent themselves as part of the counter-hegemony, their social relations with other institutions in order to foster resistance, and their identification within a marketisation context.

Finally, in Chapter 9, I present the conclusions drawn out of my in-depth study. To summarise, despite the fact that the SSE appeared in its origins as a form of resistance on the basis of collective action, the neoliberalisation has undermined its principles. The analysis reveals that those organisations with a weaker attachment to political principles and empowerment have been exposed to a greater susceptibility to the neoliberal discourse. Moreover, those organisations that have accepted a government invitation to participate in the delivery of welfare services have experienced greater undermining of their autonomy, which has left them in a vulnerable position. Nonetheless, the failures of neoliberalism itself has opened up spaces for resistance, although it was only in those cases where failures were deep enough to call into question the neoliberal system that alternatives appeared.
CHAPTER 2
GLOBAL AND LOCAL CONTEXT

2.1 Introduction
In this chapter I outline how neoliberalisation became the dominant and legitimised discourse of global capitalism and the resulting impact on the working class. The dominance of the neoliberal discourse extended across the globe (Harvey, 2005) but its impact has been geographically differentiated. That differentiation is tied to how neoliberalism landed in places with different histories. Hence, in this chapter I offer an understanding of the point of confluence between the global processes and local realities. This serves as a background for the analysis of how these two elements shaped the SSE (Chapters 3 and 4). History, I argue, is not a sequence of things one after another, as suggested by Chang (2014). Rather, an historical analysis sheds light on how the present represents the culmination of a complex mix of overlapping and overlying conditions made up *inter alia* of people’s choices and reactions to prevailing economic and social realities. My hypothesis is that the neoliberal turn sought to restore a dominant class power for capital, reversing many of the victories that the labouring classes gained during the ‘golden age’. This chapter will elucidate further on this struggle. In this sense, the neoliberal process is partly explained by the degree of resistance developed by the working class, and the type of welfare state model adopted...
(Section 4.2). These institutions set the conditions and terrain on which the neoliberal discourse landed and either remained as points of resistance or were blunted by the force of the discourse.

The unfolding of the neoliberal discourse is traced by examining three eras, which I will call the heyday of capitalism; the welfare state or golden age; and finally the neoliberal turn, based on the segmentation provided by Chiapello and Fairclough (2002) about the three spirits of capitalism. This is preceded by an analysis of the emergence and consolidation of the working class in the early 20th century which lays the groundwork for a deeper understanding of the processes giving rise to neoliberalism. This explanation is focused on Argentina and the UK, thus giving an overview of the tension between economic and political claims that occurred in the 20th century. The emergence of the working class showed openly the tension between political claims seeking to ameliorate the consequences of capitalism and economic claims seeking to take control of the economy. Post-war experience condensed into economic and political demands under the welfare state, which was broken down by the neoliberal turn that undermined most of the economic victories already gained and cancelled every attempt to regain them, destroying political channels by which such claims could be made. Moreover, neoliberal policies were ahistorical constructions of solutions from outside that did not evaluate the impact they would have in each nation.

The purpose of this chapter is not to provide a fully comprehensive analysis of two very complex realities and their histories in the last hundred years, but to outline and highlight the essential social, economic and political features necessary for the study of the SSE today. Hence, the chapter is structured according to the three historical stages. All sections are reported historically by country, whereas the last compares the three main policies imposed by neoliberalism, highlighting the particularities in each country and exposing the similarities of neoliberalisation in countries with different histories. Finally, some general trends are pointed out in the conclusion.
2.2 The birth of the modern world and its sudden death (1850 - 1930)

The beginning of the 20th century found Argentina and the UK at different stages in the transformation into modernised countries. Great Britain had been transformed over a considerable period by the Industrial Revolution and was at the stage where it was losing its pre-eminence as a world manufacturing power, while Argentina was still establishing the boundaries of the country and its political structure.

Heyday of capitalism in the UK

In political terms, the UK at the beginning of the twentieth century was still dominated by a unified, landed-aristocratic, elite (Kumar, 1983). However the predominance of manufacturing industry at this time was accompanied by a corresponding consolidation of the strength of the working class. According to Thompson (2002), the working class arose as a social actor in the 1830s, with self-conscious, particular class interests, class institutions, and traditions. It was during that time that horizontal solidarity among workers appeared, which replaced vertical interest relations. However, this did not mean it was a homogeneous social class: factory workers as a social grouping were only one part of the working class, which still included artisans (Kumar, 1983).

As G. D. H. Cole (1920) suggests, laissez-faire policies were extended in the 19th century. However, workers’ resistance and anti-capitalist movements that counteracted the effects of the industrial revolution were also present, and two stood out: Luddism and Chartism (see Hobsbawm, 1952 and Roberts, 2001 respectively). In this vein, left-wing ideas were widely present in British working-class organisations in both economic and political terms. However, the question about whether living conditions should be improved by unionism or political action was central among working class organisations and two contradictory doctrines on the means to achieve a socialist regime were confronted within the working class: workers’ control and central control. Early trade unionism was mainly philosophically idealist, with Robert Owen as its main character.
(Nairn, 1964), and it became more radical by the end of the 19th century. As suggested by Dahl (1947), the guild socialists considered that real change should include workers’ direct control over production and direct representation rather than delegation of power. Guilds and trade unions relied on the labour power of workers, as key actors in the economy. According to Thane (1984) trade unions and guilds argued that their role was to improve working conditions, wages and achieve full employment through industrial action. These two types of workers’ organisations in particular represented mainly low-skilled workers who also participated in friendly societies and co-ops.

The other significant trend in socialist thought proposed central control and parliamentary action as means to improve workers’ living conditions. It relied on the power of workers as citizens, to control the state for the benefit of the workers (Dahl, 1947). The Fabian Society was a think tank that rejected laissez-faire policies but also the idea of a proletarian revolution, as it thought progress would best be achieved gradually (Trexler, 2007). In the same line, another organisation with a Marxist standpoint was the Social Democratic Federation (SDF), which considered it was important to push for social reforms in order to alleviate the harsh living conditions of the working class. These two organisations considered that the improvement of workers’ living conditions should be achieved through political means (Thane, 1984), and saw the state as an instrument for liberation and equality. In addition to these working-class organisations, middle-class and skilled workers’ representatives also considered parliamentary action as the best alternative.

The Labour Party was the result of the conjunction of these two doctrines and workers’ institutions, representing the interests and needs of those who had just been given the right to vote (Cole, 1920). As Glasman points out, the Labour Party ‘was the child of a cross-class marriage between a decent working-class ‘Dad’ - trade unions, the cooperative movement, mutuals- and an educated middle-class ‘Mum’ - the Fabian Society and SDF’ (2010: 35), which according to Nairn (1964) resulting in a weak left-wing party.
Although there was a tension with regard to acquiring rights, the influence and significance of the Fabians provoked a move towards parliamentary action (Dahl, 1947), and an increasing acceptance of an alliance with the Liberal Party to get legislation through Parliament. The alliance worked in the sense that it increased labour representation in the House of Commons. However, the differences between Liberals and the left-wing Labour movement, and the fact that trade unions were banned from political participation, as a means to undermine unions’ funding (Cole, 1920), meant that although the Labour Party received great popular support, this was not reflected in its parliamentary representation.

Although the SSE will be discussed in detail in Chapters 3 and 4, at this point it is relevant to highlight the array of institutions and organisations that comprise the landscape with which the hegemonic discourse I am examining interacts. In its origins, the Labour Party relied significantly on working-class organisations, many of which are theorised nowadays as part of the SSE, based on the values of reciprocity and mutuality (Glasman, 2010). SSE organisations had a binary relationship with the government, according to their social and economic goals. On the one hand, voluntary workers’ organisations along with middle-class philanthropic associations established a partnership with the state as mediators between government and citizens, which after 1911 shifted towards a complementarity (Lewis, 1999). On the other, workers’ action increased in the first years of the 20th century as a consequence of the power of syndicalism; strikes increased and trade union and guild membership rose (Villis, 2005). However, the First World War changed the situation dramatically with five million people entering the army and defence industry. After the 1918 armistice and the post-war reconstruction, workers’ struggles for control of production reappeared. However worsening economic conditions culminating in the 1929, depression hit the working population hard, with high levels of unemployment and deflation (Crafts and Fearon, 2010). Politically, the Labour Party alliance with the Liberals broke down, and the party
won the election in 1922 in its own right. However, syndicalist representation within the party decreased during the 1920s and 1930s and, according to Glasman (2010), by the end of WW2 the influence of workers’ organisations was minimal.

**Heyday of capitalism in Argentina**

Argentina’s stance as a modern state --with a distinctive position in the international division of labour and as a producer of raw materials-- began to take a recognisable form in the last decades of the 19th century. Liberal in economic terms and oligarchic in political ones (Oszlak, 1982), the ruling aristocracy was made up of landowners who accepted electoral fraud as a regular practice (Rock, 2006). Despite the fact that the country had one of the fastest-growing economies in the world (Gónzales Berlando de Quirós, 2014), it relied heavily on agricultural exports and foreign investment. Consequently, it was significantly a dependent economy. Nonetheless, external dependence was also political, as British Ambassadors were consulted for their approval of presidential candidates, for example. In terms of parties, the aristocracy was represented by the Autonomist National Party (*Partido Autonomista Nacional*) while the middle classes had the Civic Radical Union (*Unión Cívica Radical; UCR*) from the end of the 19th century. However the latter rejected elections because of the prevalence of fraud, resorting to violence to show its political intentions to get into government (Canton and Jorrat, 1999).

Change, when it came, was driven by two waves of immigration between 1890 and 1920, doubling the size of the population (Novick, 2008). The immigrants, who came mainly from Italy and Spain, had been unionised workers in their homelands and brought this political militancy with them, leading to anarchism, socialism and communism taking root in the emerging Argentinian working class. These trends were different in their understanding of politics and claims: according to Camarero (2007) while anarchism supported strikes, the use of violence and union organisation, socialism used political
and parliamentary action as a way to improve workers’ living conditions and rights. With the exception of the socialist party, which participated in elections, these left-wing groups, along with unions and the UCR were seen as a threat by the dominant elites (Spektorowski, 1994). In order to minimise opposition, the government put into action many political strategies to defeat it, the most significant being a law that allowed the government to expel immigrants involved in riots (Falcon, 1986). During the 1920s, anarchist influence decreased significantly, the socialist party passed significant laws in parliament that favoured the labour movement, and unions became the main social actor representing workers’ interest (Godio, 1987).

Economically, the country was still reliant on agriculture for exports, earning the sobriquet the ‘granary of the world’, while by 1920 Argentina was also the main producer of meat in the world (Hora, 2012). British influence was not only political but also economic. According to Spektorowski (1994), the UK invested heavily in railways to transport agricultural products to Buenos Aires port, and to a lesser extent in the banking system and gas companies. During the first decades of the 20th century, Argentina shaped a triangular economic relationship with the USA and the UK, in which Argentina played a dependent, unequal and disadvantageous role (Fodor and O’Connell, 1973). Two examples of this dependent relationship are the first free-navigation treaty and the Roca–Runciman treaty, which both harmed Argentinian interests to the benefit of the UK. This is what led Rapoport (2007) to suggest that dominant elites were functional to British interests.

During the 1920s, the government sought to develop national industry; investment in importing industrial machinery was twinned with a protectionist approach levying custom tariffs on imports (Villanueva, 1972). A change in direction from agriculture to other industry was deemed to be needed because of the international depreciation in the price of agricultural products and the influence of the great depression in the USA. Industrial production was promoted by the government in order to supply manufactured articles for
the local market, a process known as import-substitution industrialisation (ISI) (Neffa, 1998). According to Murmis and Portantiero (2004) industrial production in the three years from 1935 to 1938 alone was nearly equal to that of the previous twenty year period 1914-1935. Although this process was thought to maintain the power of the elite, its consequence was a qualitative and quantitative increase in the size of the working class, which provoked a dramatic change in the socio-economic order (Torre and Pastoriza, 2001).

In sum, it is possible to establish some similarities regarding the formation of the working class in Argentina and the UK. In both countries, power was wielded by a landowning aristocracy. Moreover, the tension between political claims and economic control was present among workers’ organisations. As a way to cope with the harsh living conditions, workers’ organisations emerged in both countries. However, the Great Depression of the 1930s and the two world wars changed the paradigm of states on both sides of the Atlantic. Relying on Ruggie’s (1982) understanding of Polanyi, governments understood that the economic order after the Second World War had to rely on an active state and a deliberate management of the international economy, as discussed in the next section.

2.3. The effects of the war and the post-war reconstruction: the golden age (1930 - 1980)

By the end of WW2 the premise was widely accepted that the hegemony of capitalist system had to be protected both from communism and fascism. According to Peet (2009), there was a political determination to create a system of world governance and economic order that would prevent wars and regulate international relations, preventing the danger of total disruption. This was one of the reasons why this time was considered as the golden age: the regime was built upon a macro security unknown before. In order to ensure it, the Bretton Woods agreement set up a monetary framework to fight against
economic difficulties and instability, mainly with respect to exchange rates and capital flows (Bordo et al., 2009). As a consequence, no financial crisis occurred between 1945 and 1973. The essence of the embedded liberalism, recalling Polanyi's theory, was multilateral upon national interventionism, as Ruggie argues (1982). This proposed a system of national economic objectives and international collaboration and multilateralism (Fourcade-Gourinchas and Babb, 2002). Interdependence was based on an apparent equal balance of trade. However, as Peet points out, due to political and economic inequality, 'international trade became an instrument of national power', and built up a ‘system to subordinate other nations that were weaker economically’ to others that were more powerful (2009:42). Additionally, international organisations appeared as regulators of the new order: the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development, later known as the World Bank (WB).

Moreover, the golden age also provided security for individuals, which according to Chang (2014) was due to the growth in per capita income achieved in those years. Developed countries experienced an economic boom, with low unemployment rates, low inflation and growth of living standards in the 1950s. Furthermore, full employment and the enlargement of labour forces increased the power of trade unions in collective bargaining. Keynesian policies were still very influential, and as part of the social settlement of mixed economies the state had a significant presence in the lives of many citizens. As Dryzek and Goodin (1986) suggest, welfare states broadly spread throughout the western world during the 1940s. It is difficult to define the welfare state because it has been re-interpreted and re-shaped by diverse historical realities, as Whiteside (1996), Dryzek and Goodin (1986) and Lowe (1989) argue. However, an ideal type is comprised by universal impartial social justice, as suggested by Gewirtz (1997) and Malpass (2003). It was the golden age for working people, who had security of employment, and could develop a collective identity on a stable basis, which according
to Sennett (1998) enhanced individual capacities. In the next sections the British and Argentinian welfare states are analysed.

**British welfare era**

The reconstruction of the country after WW2 demanded a new order with new objectives and a different role for the state (Harris, 1986), which meant the ‘transition from a residual to an institutional welfare state’ (Gladstone, 1999: 11). It started in 1942, when the war was still ongoing, with the Beveridge Report as the blueprint for reconstruction, which identified five enemies of the British society: ignorance, squalor, idleness, disease and want (Malpass, 2003). Nairn (1964) suggests that although William Beveridge was a Liberal, he took some ideas from the Fabian socialist Sydney Webb, resulting in incipient welfare benefits being delivered by workers’ organisations in the beginning of the 20th century (Malpass, 2003; Dryzek and Goodin, 1986). State central control implied not only the direct supply of welfare but also subsidies on other sectors, like the voluntary and commercial sectors (Gladstone, 1999). However coming under the state’s scope eroded some of the workers’ influence and diminished their power to work for the interests of the working class (Lewis, 1999; Whiteside, 1999). This implied a significant loss for the workers, as health services were replaced by medical professional control and the tasks previously undertaken by mutual aid and friendly societies’ were transferred to insurance companies (Green, 1999).

Malpass (2003) has identified three stages in the British welfare era: the coalition government during the war, the Labour government straight after the war and the Conservative government in 1951, and then a period of power-sharing with consensus over policy until the welfare state declined from 1979 onwards. During the coalition government, a broad-base support emerged for the role of the state as protector of its citizens according to Whiteside (1996), which was a consequence of the uncertainty provoked by the war. WW2 modified people’s beliefs, values, attitudes and expectations,
whereby the foundation of a ‘moral behaviour’ was created under war conditions, based on the idea that anyone’s future might be one’s own (Dryzek and Goodin, 1986). The result was a social consensus on a new social order epitomised by state provision of health and education services and social security (Malpass, 2003).

When the Labour government (1946-1951) took office, the country was ‘victorious in war but economically bankrupt’ (Malpass, 2003: 599). Labour’s approach considered central planning and universal social policies as the core of the welfare state (Whiteside, 1996). Central Planning included reaching agreement with the Trade Union Congress (TUC) on a wage freeze in exchange for price control, and this helped keep unemployment low. Whiteside (1996) argues that this can be viewed as the first shift in welfare: away from a wartime pre-occupation with protecting the population from the conflict to a post-war policy of keeping inflation down and encouraging essential industries, with the ultimate aim of achieving social justice and a better post-war society. However, despite wage freezes, it was to be inflation that dogged the Labour administration, with welfare expenditure being a major cause.

The Conservative government that came to power in 1951 understood welfare differently from its predecessor. As war was not an imminent risk, consensus about targeted rather than universal welfare policies arose, and achieving full employment became the goal (Whiteside, 1996). Therefore, housing and food subsidies were considered as market distortions that should be corrected (Jones, 1992). Along with the diminution of universal welfare, the economy was struggling due to a greater proportion of imports over exports, which also had an impact on employment. The economy experienced stop-and-go cycles in which growth was accelerated and then constrained with direct consequences for unemployment. Moreover, the instability of Sterling throughout the 1960s and its repeated devaluation had an even worse impact on employment (Whiteside, 1996). According to Bordo et al. (2009), in order to restore confidence in the Pound, the UK
received credit from international organisations to re-stabilise the economy and sustain the dollar peg.

The 1970s saw the breakdown of the Keynesian agreement. Until the mid-1970s, the economic crisis that was affecting the UK was understood as temporary and tackled within the Keynesian paradigm using traditional techniques, such as expansionary policies and increasing spending (Kus, 2006). However, during the 1970s inflation kept rising as did unemployment in a phenomena known as *stagflation*. Worsening working conditions triggered union unrest, strikes and more radical responses such as worker takeovers. The latter totalled more than 250 between 1973 and 1983. The scale of this gave new impetus to the question of the mode of production and ideas of workers’ control (Tuckman, 2012). Along with internal dissatisfaction, government experienced external pressures for policy change, coming from financial markets, the media, the USA and the IMF. These pressures generated a general consensus for a change in policy. Although the Labour government made some changes in economic policy, it had to enforce stabilisation measures, monetary targets and expenditure cuts as conditions of the international credit the country received in 1976 (Fourcade-Gourinchas and Babb, 2002). However, this did not solve the problem and in 1978, massive strikes occurred (known as the ‘winter of discontent’) (Clayton and Pontusson, 1998), which intensified the hostility towards government and allowed the Conservatives to win the election in 1979.

**Argentinian welfare era**

Along with the economic changes that import-substitution industrialisation (ISI) brought, social changes occurred. Migration was again central, as large numbers of rural migrants moved to the main cities to fulfil the needs of industry for labour. According to James (2013) the number of industrial workers doubled between 1935 and 1946, soaring from 435,816 to 1,056,673. They were called the ‘new working class’, as they had poor union
experience and low political activism. However, despite the numerical significance of the working class, the Labour movement was unable to make fundamental achievements. As Vieta (2012) argues, it was Perón who transformed the working class into an actor in national politics. This was a change not in workers’ claims, but in the government’s attitude towards the labour movement (Torre, 1990). Moreover, scholars discussed the reason why workers supported Perón. Murmis and Portantiero (2004) consider that the workers’ movement allied ambiguously with Perón as a way to gain social rights. According to this view, Vieta understands that the working class helped Perón to rise to power and ‘and articulate his version of the third way -neither communism nor capitalism-, known as justicialismo, or peronismo (2012: 182-3)’. Finally, as Trias (1978) argues, the role played by Eva Perón and her Foundation was vital for Peronism, as she was the mediator between the workers and the government structure, with regard to welfare. This depicts the fact that the working class and Perón created an alliance that benefited both partners.

Although some authors, such as Lewis (1980), suggest that Peronism was a form of fascism, this was not the case. He was democratically elected and other parties and the Parliament were not banned, it did not pursue an ideology apart from a less-dependant nation, and Perón was in power three times for ten years within a twenty-eight years period of time. Nonetheless, what better defines the nature of Peronism is populism, a leadership style characterised by a strong leader who links himself directly with the masses rather than acting through institutions, thereby provoking their erosion (Conniff, 2012).

The Peronist welfare state was established through intervention in the three key areas: economy, politics and society. First, Peronism provoked a radical transformation of the economic structure. Along with many re-nationalisations, such as the central bank and the rail system, ISI allowed Argentina to develop a national industry, expanding the national market and consequently increasing the importance of trade unions (James,
From an economic perspective, the country experienced intermittent economic growth between 1946 and 1963, and constant, steady growth between 1963 and 1973 with an average increase in GDP of 5% (Rapoport, 2007). However, ISI, although industrially strong, was technologically weak, according to Katz (1983), which led the model to rely on technological imports. Consequently, this left the country with systematic balance of payment crises, and stop-and-go cycles. In order to increase exports, devaluations were needed, which impacted negatively on the price of food and wages (Schvarzer and Tavosnanska, 2008; Diamand, 1972). Union claims for constant wage adjustments to face the new situation caused inflation to increase. This inflationary spiral was recurrent from the mid-1950s to the mid-1970s.

Socially, Peronism improved income distribution, welfare laws, targeted policies and public ownership (Ross, 1993). The whole labour structure was regulated by unions, which were also the core of Perón’s power. It is important to mention that unions not only made collective bargains; they also provided services such as health insurance, social services and, in some cases, pensions (Rosanvallon, 1988). The Argentinian welfare system was built upon work rather citizenship; employment was a synonym of social protection in a model that Novick et al. (2009) have called restrictive universalism. Moreover, the alliance between unions and Perón shaped a social structure characterised as heterogeneous at the top and homogeneous at the bottom (Villareal, 1985). Although the elite bloc made up of a landowning elite, the big bourgeoisie and the army tried to fracture this homogeneity, it only happened when a new dictatorship took control in 1976. Furthermore, despite the economic growth of the era, and as a consequence of the conflict of interest between industrial and agricultural sectors, political instability marked the era between 1946 and 1976 deeply: five governments were elected and five coups d’état took place. As a consequence, both economy and society were affected by political instability.
All in all, during the welfare era, both Argentina and the UK had a strong presence of the state in a broader sense, although it was through employment and citizenship respectively. In both countries it emerged as a consequence of the immediate past, but for different reasons. Whereas in the UK it was a consequence of the risk that war provoked in its citizens, and was first universal and later targeted, in Argentina it was a populist state and represented the crystallisation of social rights. Moreover, both countries were facing macroeconomic difficulties, inflation, a current account deficit and currency devaluations. Despite their differences, the limitations of the welfare model with respect to capitalist development and the incapacity of Keynesian policies were the first elements that impelled the movement towards neoliberalism, which is discussed in the next section.

2.4 The neoliberal turn (1980 - 2008)

It has been argued by many scholars that dramatic changes are ushered in during times of crisis (Kus, 2006; Klein, 2008; Clayton and Pontusson, 1998). Globally, the Breton Woods system was in crisis by the end of the 1970s (Clayton and Pontusson, 1998), and there was an international consensus about placing the responsibility for economic misbalances on the welfare state and its incompatibility with an open, flexible, and globalised economy. The challenge to Keynesianism resulted from the impossibility of resolving the economic crisis through traditional means, which consequently opened up the space for diverse strategies and policies to tackle it (Kus, 2006), and both Argentina and the UK followed this line. Although I argue in Section 3.2 for the variegated nature of neoliberalism and challenge its monolithic appearance, similarities regarding the promotion of market rule as inevitable, the enhancement of the market rationale, and the naturalisation of these changes can be pointed to as general trends of the neoliberalisation process (Brenner et al., 2010a). Harvey (2005) goes further with the understanding of neoliberal turn, suggesting that it is an elite project for achieving the...
restoration of class power, lost during the ‘golden era’ to the working class, re-establishing the previous conditions for capital accumulation.

Economic difficulties were widespread during the 1970s. Developed countries were experiencing high inflation rates and a slowdown in their growth. As a consequence of this the USA chose to abandon the link between the dollar and gold in 1971, which had international repercussions, particularly on those countries pegged to the dollar (Bordo et al., 2009). The final blow to the system was the economic crisis caused by OPEC’s decision to increase the price of oil fourfold in 1973. This provoked severe inflation, a slowdown in productivity growth and exchange rate instabilities in developed countries (Kus, 2006). Latin American countries faced even more dramatic situations in the 1970s. Apart from external disorder that affected local economies, and due to the high liquidity that resulted from the increase in the oil price, they were offered and accepted loans at an unprecedented volume. As a condition of this, credit and financial markets had to be liberalised, and the US government, IMF, and WB enforced market-disciplinary regulatory restructuring (Brenner et al. 2010b). These countries acquired debt at very high rates in dollars, which they were unable to pay back in a few years’ time and they were forced to go into default. Finally, as part of rescheduling payment programmes, they were asked to implement structural adjustments and reforms under the idea of external ‘best practices’, as Harvey (2005) has argued. These events instituted a market-discipline that shaped subjectivity and created global consensus about Keynesian failure and the need for a new economic model.

Ironically, the Falkland/Malvinas war (1982) meant the same for the UK and Argentina: as both governments were internally wrecked by economic instability, both thought that a victory in the war should bring a new lease of life for the winner (Klein, 2008). This was exactly what happened to Thatcher, whose triumph resulted in her re-election. Furthermore, the nationalist spirit resulting from the war allowed her to control the
internal disorder provoked by strikes. Conversely, Argentinian's defeat hastened the fall of the military government.

The comparative study by Fourcade-Gourinchas and Babb (2002) provides interesting insights into the study of neoliberalism in Argentina and the UK. It compares the neoliberalisation process in four countries (Chile, the UK, Mexico and France), and distinguishes two different origins for the neoliberal turn: political and technocratic; and two outcomes: ideological and pragmatic transitions. Within this framework, it is possible to say that neoliberalism in Argentina and the UK had a political origin and an ideological outcome. According to the authors, the neoliberal turn was preceded by a crisis in the balance of payment as a consequence of macroeconomic misbalances and internal conflicts (a rise in prices, a drop in competitiveness and pressure on the national currency). All these features affected the timing of neoliberal enforcement as well as its ferocity. Transition from the welfare model to the neoliberal regime in the UK was carried out within a democratic context: the Labour Party cushioned an unbridled neoliberalism, and although Thatcher wounded the unions, resistance and the welfare state, she could not destroy them. In contrast, neoliberalism was enforced in Argentina in the context of a military government through the genocide of more than 30,000 people, which dismantled both resistance and welfare mechanisms through the tandem of ‘death and debt’ (Dinerstein, 1999). Moreover, as welfare benefits were attached to employment, the shift towards the financial sector contributed to the erosion of protection mechanisms.

**Table 1 - Argentina and the UK, Comparison of the neoliberal transition**

<table>
<thead>
<tr>
<th>Balance-of-payment crisis</th>
<th>Argentina</th>
<th>Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Inflation</td>
<td>Very high</td>
<td>High compared with developed countries</td>
</tr>
<tr>
<td>Social conflict (strikes)</td>
<td>High + guerrilla</td>
<td>High</td>
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</tbody>
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### Business support for neoliberal ideas

<table>
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<th></th>
<th>High</th>
<th>High</th>
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### Origin of neoliberal ideas

<table>
<thead>
<tr>
<th></th>
<th>Political</th>
<th>Political</th>
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</table>

### International opening

<table>
<thead>
<tr>
<th></th>
<th>Very rapid after transition</th>
<th>Already very open</th>
</tr>
</thead>
</table>

### Outcome

|--------------------------|----------------------------------|----------------------------------------|

Source: Author's own development based on Fourcade-Gourinchas and Babb (2002).

In sum, neoliberalisation as a class power restoration process started in the 1980s and was consolidated during the 1990s. According to Harvey (2005), four features became relevant for this process: the acceleration of financial openness; the increase in the geographical mobility of capital; the Wall Street-IMF-Treasury complex that influenced developing countries ideologically; and the global expansion of neoliberal economic orthodoxy. Across many countries, the neoliberal or corporatist process had similar characteristics: huge transfers from public to private ownership accompanied by indebtedness and an enlargement in the gap between the poor and the rich (Klein, 2008). In the next two sections, the neoliberal process in the UK and Argentina is discussed, focusing on the three main characteristics of this process: monetary policy, privatisation and labour market deregulation.

**The neoliberal regime in the UK**

The British response to the crisis of the welfare model can be divided into two phases, the first one characterised by disarticulated events during the Labour government, and the second by a deep neoliberalisation under the Thatcher governments (Brenner et al., 2010a; 2010b; see Section 3.2). Labour’s attempts to tackle the crisis represented the end of Keynesian orthodoxy (Kus, 2006). As a consequence of the deficit the British government was experiencing, and the need for credits from the IMF in 1975, the government had to choose between accepting IMF ‘recommendations’ about austerity and budgetary restrain or declaring bankruptcy. However, despite choosing the former, it
was not enough, and inflation and unemployment rose (Fourcade-Gourinchas and Babb, 2002). This poor economic performance caused Labour to lose the next election, won by Margaret Thatcher with the support of the middle-class (Harvey, 2005). The shift towards neoliberalisation was more severe and radical when she took office.

Policies were focused on monetarism, which implicitly transformed the relationships among the state, society and economy dramatically. In this respect, Peck and Tickell (2007) suggest that political concerns were focused on reducing the public expenditure in favour of enlarging the private sector. It was supposed that this change in policy would overcome three problems regarding the welfare state: its excessive intervention, its undermined authority as a consequence of conflicts with unions, and the distributive character of welfare policies (Kus, 2006). For this, Thatcher had to confront the unions’ power, deregulating labour and allowing its flexibilisation, dismantle the welfare state, and privatisse public services in order to generate a favourable climate for businesses. The first step into this new model was to decrease aggregate demand, which consequently provoked an increase in unemployment, allowing the government to adopt a tight monetary policy (Glyn, 2007). By the time Thatcher left office, inflation had been eradicated; the unions’ power had diminished; and the middle-class had accepted her measures. Additionally, a social transformation had been produced: a shift away from social solidarity to individualism, which Harvey (2005) suggests occurred under the form of private property, personal responsibility and family values. These ideas became the hegemonic discourse and generated the necessary consent for labour flexibility and housing privatisation. All in all, the neoliberal transformation in the UK was social and economic, and generated a widespread consensus.

In order to stabilise and balance the economy, Thatcher proposed two objectives: the reduction of public expenditure and of inflation. It is important to mention that the UK was passing through a recession that lasted from 1979 to 1981, which some commentators characterised as the worst since the 1930s (Buiter et al., 1983). Since Thatcher coming
to power, the rolling back of the state and the reduction of public expenditure were enhanced, and her governments reinforced what Labour’s had rehearsed (Chryystal, 1984). Due to the strong roots of the welfare state, it could not be entirely dismantled during the Thatcher governments although services became even more targeted (Hills, 1998). Moreover, welfare benefits were further reduced by the subsequent Labour government, which shifted from unconditional welfare to a welfare-to-work model, as suggested by Glyn and Wood (2001). Having depicted the general context and measures taken by British governments towards neoliberalisation, the following paragraphs analyse the three main attributes of this process.

- **Monetary policy**

To begin with the transformation and in order to reduce inflationary expectations, an image of a tough government was created, showing no clemency towards wage demands even when it meant an increase in unemployment (Bean and Symons 1989). Moreover, five instruments of monetary control were put in place: fiscal policy, debt management, administered changes in short-term interest rates, direct control of the financial system and operations in the foreign markets (Darby and Lothian, 1983). A change in taxation also was part of the plan, cutting rates of direct taxes and increasing VAT, along with an increase in interest rates (Hale, 1981). All these measures were reinforced in 1980 when a plan for the reduction of the budget deficit over a five-year period was announced (Bean and Symons, 1989). In order to reduce inflation, the government proposed tight monetary policies, such as an increase in direct taxes and interest rates, which negatively affected aggregate demand. Although these measures reduced inflation, they also contracted the economy and increased unemployment.

Despite the Conservative attempts to reduce inflation and avoid recession, when Tony Blair assumed office, his government faced the same difficulties as its predecessor. The goal of the government was to reactivate the economy, while keeping inflation down.
Although the Labour Party was part of the social democratic tradition in Europe, according to Blair (1999) modernisation under the ‘third way’ represented an adherence to old values but a change in traditional political instruments. This was part of the reinvention of the Labour Party under the New Labour concept, which according to Fairclough (2000b) allowed it to present itself as a radical version, more appealing to the middle- and upper-working classes (see further discussion in Section 4.5). The government reduced the public deficit through cyclical adjusted deficit (Glyn and Wood, 2001). Moreover, the British Pound was overvalued, which on the one hand negatively affected industrial competitiveness, but on the other kept inflation down and minimised the impact on imports.

- **Privatisation of nationalised industries**

Fiscal discipline was complemented by the privatisation of public companies under the Thatcher governments. The rationale behind the privatisation was that selling them would reduce bureaucracy and inefficiency and improve the quality of services as a consequence of market competition (Harvey, 2005). It also would allow a reduction in the state size and the public debt. The policy involved three elements, which according to Cumbers (2012) provoked a de-nationalisation of services: moving the provision of a service from the public sphere to the private; the use of private finances to run and provide public services; and the transfer of state-owned companies to the private sector. Both the Heath and Callaghan governments privatised some minor public companies. However, Margaret Thatcher introduced privatisation as a major public policy of her administration, followed by Tony Blair and Gordon Brown (Korpi and Palme, 2003). Some of the services privatised were council houses, the railways, water and electricity in the 1990s, although the government was unable to privatise those institutions deeply embedded in British society, such as the NHS or the education system (Singh and Bhusal, 2014; Parker, 2004). Hence, it was Blair’s government that was responsible for
privatising university education by progressively introducing student fees (Korpi and Palme, 2003).

- **Labour market deregulation and unemployment**

The British labour market experienced an increase in unemployment after 1973, which according to Glyn (2007) undermined the bargaining power of trade unions and marked the end of the ‘golden age’. Previous governments and even Thatcher in the beginning failed to curb union wage demands, which were blamed for provoking an increasing inflation and depreciation of currency (Hale, 1981). In order to combat this, and since full employment was not among Thatcher’s aims, a restrictive monetary policy was followed, which contributed to an increase of unemployment from 5% in 1977 - the highest rate for the post-war period- to more than 12% in 1981. In addition, long-term unemployment appeared as a social issue, which came to be considered a result of private decisions and not government action (Bean and Symons, 1989). In other words, unemployment shifted from being understood as involuntary to voluntary; government absolved itself of responsibility, by blaming businessmen for not hiring people and workers for not being qualified enough. An explanation for the increase in unemployment can be found in the overvaluation of the pound, which deepened the problems that the industrial sector was experiencing, making manufacturing more expensive and less competitive. According to Chrystal (1984), whereas between 1979 and 1982 unemployment increased by 1.4 million people, this is explained by the 1.5 million reduction in industrial jobs. Moreover, the government passed several legislative measures to restrain trade-union power between 1980 and 1984, restricting picketing and secondary actions, taking away unions’ immunity and undermining their funding in case of unlawful conflicts, forbidding political disputes, and giving employers the right to dismiss workers who did not attend work in order to participate in strikes. In parallel, employment protection and wage councils were reduced with the same purpose of limiting the power of unions (Bean and Symons, 1989). The shift in the understanding of unemployment was maintained in the
Labour government that followed Thatcher, which designed a New Deal to target specific groups of unemployed. These schemes were focused on increasing the employability of many sectors, before awarding benefits, and relying on social organisations to provide public services (see Chapter 4). Moreover, the New Deal contained a significant compulsory element, as remaining unemployed was not an option, which suggests a radical redefinition of the welfare state (Glyn and Wood, 2001). Fairclough (2000a; 2000b) shares this perspective, as he suggests that welfare reform policies can be summarised as 'welfare-to-work', moving people off welfare into the labour market.

**The neoliberal regime in Argentina**

Contrary to the broad consensus under which neoliberalisation was imposed in the UK, in Argentina changes were made by imposition and using state terrorism. As already stated, severe instability only ended when the military government took power in 1976 and imposed social and political control through a fierce economic discipline (Rapoport, 2007). Economic crisis was also understood by the military government as a Keynesian failure due to the unviability of import-substitution industrialisation, whereas political destabilisation was responsible for the economic disorder. Hence, the government’s aim was to provoke an irreversible transformation of the social structure and institutional relations. In order to achieve this, two significant policies were put into place: first, financial reform, which entailed the erosion of the power of the state vis-a-vis the market; second, trade liberalisation, which had a negative impact on the industrial sector. According to Schvarzer (1998) this was a deep and severe economic re-structuring that shifted the focus of the economy from the productive sector towards the financial. The forms of violence used by the military dictatorship were wide: state repression of society, economic violence through debt, inflation, and wage restrictions, and transformation of labour legislation (Dinerstein, 1999). It is agreed that the government was responsible for the disappearance of 33,000 people, who participated in social movements, unions, political groups (Feierstein, 2009; Basualdo, 2006).
Neoliberalisation in Argentina also corresponds with Brenner et al.’s (2010a) theorisation of a process carried out in two stages. It started with the military government in 1976, was suspended with the first democratic government in 1983, and resumed in 1990 with Menem’s government. After the concrete forms of violence used by the military dictatorship, economic violence came with the return of democracy in 1983. It was concurrent with the foreign debt crisis that affected developing countries at the beginning of 1980s and an unstable internal economic situation. In order to repay its loans, Argentina had to impose very harsh economic adjustments, a process that Stiglitz (2003) understood as a way for the poor countries to subsidise the rich. Despite the government’s attempts to stabilise the economy, by 1989 a hyper-inflation crisis unravelled, which had an outstanding disciplinary effect over the working class and forced them to accept the second neoliberal phase during the 1990s (Beccaria and Mauricio, 2005). In this case, hyper-inflation worked as a ‘shock doctrine’ (Klein, 2008), which took advantage of the dramatic moment to produce a permanent change while society was unable to oppose it. Menem had to take office a few months before in order to calm down economic speculation and minimise ungovernability. Menem’s regime proposed to re-insert the country into the global economy adopting the IMF recommendations for it. After some restrictive measures, the miracle of stability occurred with the Programme of Convertibility, however, it had a very short life, as it began to break down in 1994. Following this description of the general context and measures towards neoliberalisation in Argentina, the following paragraphs analyse the three main attributes of this process -monetary policy, privatisations, and labour deregulation- which resulted in the worst socio-economic crisis in living memory.

- Monetary policy and austerity

The foreign debt crisis not only triggered a local economic crisis but also consolidated the dependent role Latin America played in the globalised economy, as a raw material producer (Grassi and Neufeld, 2003). The causes of the Argentinian crisis were
understood as a consequence of the rigid role the state played in the economy due to the regulations it imposed and its high and inefficient expenditures, for which IMF structural adjustment appeared as the global solution. As part of this, Menem's government conducted a stabilisation plan called the Programme of Convertibility in 1991, based on a dollar peg. This policy aimed at more than an orthodox economic stabilisation; this was the final stage of the neoliberal transformation that had started 30 years previously. The opening up of the economy and its deregulation were also part of the structural adjustment policies (Brenta, 2002; Sevares, 2007).

Despite the intrinsic problems that the stabilisation programme brought, at the start it effectively tackled inflation (Brenta, 2002) and increased productivity (Basualdo, 2003). However, this left the national economy vulnerable to external shocks (Damill et al., 2003). As in many other countries in the region, the economy showed a cyclical economic dynamic: an initial expansionary phase followed by a period of stagnation or recession, increasing financial and external fragility and, finally, financial and currency crisis (Damill and Frenkel, 2006). Argentina experienced this cycle twice: between 1990 and 1994, when the tequila crisis occurred, although it did not end in a currency crisis; and between 1995 and 2001, as a consequence of Russian and Brazilian crises (Brenta, 2002). According to Rapoport (2000), due to the dollar peg, the deficit of the current account grew steadily, local currency was overestimated and macroeconomic rigidity left no space for economic policies other than restrictive ones, reducing public expenditure, which implied wage reductions and public spending cuts.

During the first years of the model, industrial performance increased (Basualdo, 2003). However, in the long term, this led to a deindustrialisation process across the country that affected mainly small tradable goods companies, which were more likely to be absorbed by big ones (Schorr, 2001). Consequently, this devastating process brought severe unemployment. According to Scott Cato (2006a), the plan achieved internal stability by increasing external indebtedness, dependence on the USA, vulnerability to
external shocks. As Basualdo (2003) has reported, between 1991 and 2001 Argentinian foreign indebtedness increased from $61bn to $140bn US dollars; during the same period, the stock of capital flow rose from $55bn to $139bn dollars. This makes clearly evident that for every 100 dollars the country borrowed, 105 flowed of the country. This undoubtedly consolidated the country’s economically dependent role. In addition, although monetary policies succeeded in temporarily stabilising the economy, they also brought violence under the form of uncertainty for the increasing competition, and insecurity given the labour flexibilisation (Dinerstein, 1999). These forms of violence appeared explicitly with the socio-economic crisis of 2001, when riots were commonplace.

- **Privatisation of nationalised industries**

Privatisations were presented as the way to reduce state bureaucracy. Through privatisation, Argentina received international investment, which allowed the sustainability of the dollar peg model. However, after a few years of dependence on foreign companies for the provision of public services, this intensified the lack of investment and capital flow overseas (Azpiazu et al., 1998). Additionally, the speed of the selling off process did not leave enough time to restructure and value companies properly, according to their real market value. Market competitiveness was not guaranteed and subsequent control over very important and essential services was not maintained by the state (Rapoport, 2000). Privatisation went further in Argentina and reached the pension system in 1994, which had a massive negative impact on the economy, as it resulted in government resources plummeting with no corresponding reduction in its responsibilities (Basualdo, 2003). According to Rapoport (2000) this was one of the main factors that resulted in the sharp increase in the deficit the country experienced after 1998.
The privatisation process in Argentina and the UK meant a massive transfer of resources and an appropriation of public wealth by corporate organisations (Cumbers, 2012). On the one hand, the big gainers from the privatisation process were the consolidated companies which benefited from having monopoly or oligopoly power. This was the case in the privatisation of communications, gas, water, electricity and transport (Parker, 2004). Moreover, governments had to afford the expense of balancing the companies economically before the sell-off (Florio and Grasseni, 2004). On the other hand, according to Glyn (2007) workers were the losers, since they were made redundant or transferred to new private companies under worse working conditions than previously, favoured by flexibilisation laws that were passed and the diminution of union power.

- **Labour market deregulation and unemployment**

The general economic deregulation imposed by the military dictatorship triggered a process of social damage in terms of equality and poverty (Beccaria and Mauricio, 2005). During this period, self-employment and informal employment increased and unions were banned, which consequently had an impact on wage bargains (Altamir and Beccaria, 1999), and in the long term resulted in a contraction of employment and loss of industrial competitiveness. The following democratic government was unable to reverse this trend and, although hyper-inflation did not have a direct impact on employment, it eroded the economy and the wage power, which had a regressive impact on the working class (Fanelli and Frenkel, 1989).

The Programme of Convertibility allowed an increase in productivity, mainly in manufacturing, and the construction and services industries between 1991 and 1994 (Altamir and Beccaria, 1999); however, this was due to the context of technological backwardness. In 1994, labour flexibility and deregulation were deepened. A significant labour flexibility bill was passed, which reduced employment costs in general. The rationale behind this was that cheaper labour cost would increase employment as part of the trickle-down effect posited by neoliberalism. Although it happened, new jobs were
fixed-term and unregistered, particularly among workers with lower levels of education (Altamir and Beccaria, 1999). In addition, the tequila crisis also had a negative impact on employment -accounting for 17.3%- which was slightly reversed during 1997 (INDEC). By this time, the Argentinian economy was unstable and very sensitive to external imbalances, which were immediately transferred to employment. The Asian and Brazilian crises that took place in 1998 and 1999 provoked a steady contraction on the Argentinian economy. As a consequence, employment also fell, which caused the unemployment rate to rise to 21.5% in 2001 and 12% among breadwinners (INDEC). The expulsion of lower skilled workers had a disciplinary effect, allowing salary reductions and an increase in work intensity for those who were employed, as argued by Nun (1969). Moreover, Argentinian society was experiencing a deep de-collectivisation process (Wyczykier, 2007).

The most noticeable consequence of the increase in unemployment was the unequal distributive structure it produced, which mainly affected lower skilled workers, who oscillated between employment and unemployment due to the precarious jobs they could obtain. As Beccaria and Mauricio (2005) report, statistics show an increase in precarious, short-term employment, which increased precarity. Furthermore, inequality in income distribution was another feature of the time, and the gap between unskilled and skilled workers widened. As a consequence of all this, poverty reached over 45% by 2002 (Groisman, 2008). The strong economic deregulation, in addition to an extremely weak government, deepened social exclusion. The crisis unleashed in Argentina in December 2001 was the worst in living memory, giving the economic, social and political impacts it provoked (North and Huber, 2004), causing the President to resign from office. The acting president took office on a temporary basis, devalued the currency by 300%, which consequently had a negative impact on wages and employment (Aronskind, 2007).
In sum, the neoliberal turn in Argentina led to the socio-economic crisis of 2001 and in the UK it is still an ongoing process. Changes in Argentina were made quickly: they began with the military government, were paused for six years when the subsequent democratic government was in power, and were concluded ten years later. However, the socio-economic crisis in Argentina generated an environment in which a strong collective movement appeared as a defensive strategy for minimising the effects of neoliberalism. As part of these counter-hegemonic responses, worker-recuperated enterprises (empresas recuperadas por sus trabajadores, ERTs) appeared as a way to make a living (see the further discussion in Sections 3.4 and 4.6). In the UK changes occurred over a 30-year time period, and some of them have not yet been completed. Despite this, the process has not been reversed, as any government since Thatcher has so far sought to change direction. Furthermore, the slow speed of change disarticulated resistance, as people were growing used to one welfare reduction after another. These different finales might be one of the reasons for the different identities that the Social and Solidarity Economy has constructed during this time. Moreover, in an attempt to counteract austerity, but as a consequence of the withdrawal of the state, the SSE appeared as an option for public service provision. All this is discussed further in Sections 3.4, 4.5 and 4.6.

2.5 Conclusion

In this chapter I have overviewed the historical context for this research. As stated in the Introduction, although neoliberlisation was a global discourse, it was extended over national realities, and produced diverse outcomes. The tension over the way to secure the livelihood of the working class has been present since its origins; whereas parliamentary factions understood political claims would tackle the injustices of the capitalist system, worker organisations considered it had to be achieved through control of the economy. Although this tension was minimised during the welfare era, it
reappeared with the neoliberal turn. Despite the fact that Argentinian and British history are dissimilar, working-class formation and the tension over its means to achieve well-being can be compared. However, neoliberalisation brought different results in the two countries. Working-class resistance was eroded in Argentina due to the ferocity of policy change. Nonetheless, when it was almost defeated, it reappeared more virulently than before. On the other hand, in the UK, changes were made slowly and the working class became accustomed to them. Hence, resistance became blunted and the changes have not been reversed.

These historical features will provide a general background for the analysis of the dominant global discourse of neoliberalisation imposed in the 1970s, and the understanding of the SSE as a sector within it or outside it, which is presented in the next chapter.
CHAPTER 3
THEORISING ECONOMIC ALTERNATIVES

3.1 Introduction
Having discussed the historical ascendancy and rationale of neoliberalism in the 20th century in the previous chapters, in Chapter 3 I focus on the inherent tension in the understanding of the SSE within the context of an economy dominated by neoliberalisation. In a world where people's understanding of economic rationale is always seen through the prism of the market, how can non-market forms flourish, or even exist? Gibson-Graham highlighted the productive power of mainstream economy, and that the ‘effect of these representations was to dampen and discourage non-capitalist initiatives, since power was assumed to be concentrated in capitalism and to be largely absent from other forms of economy’ (2008: 3). I argue that mainstream economic theory has neglected any embeddedness of economy into society, and I uncover the way that market rationality has been encouraged to the exclusion of any alternative conceptualisation.

From the outset, I embrace a critical understanding of economic theory, which challenges the conventionally accepted understanding of how the economy functions. As I will argue later, mainstream economics has become the dominant discourse, which influences all spheres of life in the current historic era. I enquire into the normative
assumptions of mainstream economy that take a narrow view of economics, leading to a marginalisation of a considerable spectrum of economic relations. Through this analysis, I uncover the ontological and epistemological underpinnings of a discourse that is presented as value-free and unbiased. Conversely, I suggest a substantivist approach to economic research that takes into account the context and the range of economic transactions, social relations of production, and relations between people and the environment. This different approach manages to combat inequalities, neoliberal policies, and ultimately, capitalism itself (Gaiger, 2007). Thus, this chapter answers the following questions: is the current economic order the only option? Should we conceptualise the SSE an alternative to capitalism or a means of ameliorating its worst effects, in both social and economic terms?

The following sections navigate the tension facing actors within the SSE as a means of tackling the consequences of capitalism or a point of resistance. The first section outlines the rise of neoliberal discourse, while the second section illustrates an opposed understanding of economics. I move on to present the two contested understandings of the SSE that arise from the two opposed conceptions of economics. However, in reality these two understandings of the SSE are intertwined, a situation I also unpick. The final section of the chapter discusses the operationalisation of a definition of SSE that I used in my fieldwork.

3.2 Deconstructing the rise of neoliberalisation as a dominant ideology

My focus in this section is to uncover the construction of the neoliberal discourse, and the particular conception of the economy it posits. This task is closer to a genealogy of the construction of neoliberalisation as a mutable, inconsistent, and variegated process (Brenner et al. 2010a; Springer 2012) —in which genealogy refers to the articulation of discursive and non-discursive domains and their historical formulation— rather than a
synchronic analysis of the ascendancy of neoliberalism (Olssen 2004). The aim is to reveal the impact that mainstream economic theory has over the whole economy and social and political relations. Since WWII “neoliberalisation has emerged as a dominant, if not hegemonic, process of regulatory restructuring across the world economy” (Brenner et al. 2010b; 331). However, this does not mean that neoliberalism is a monolithic unity. Academics have theorised neoliberalism along three dimensions:

1) Neoliberalism as an ideological project oriented towards a radical transformation of global and local economies, and enabling elites seek to recover the power lost during the welfare era (Harvey, 2005; Peet, 2002). This new global regime of growth appeared in contraposition to the Keynesian welfarist and national developmentalist regulatory order, as a project of global political-economic transformation (Brenner, et al. 2010).

2) Neoliberalism as state form and policy programme, in which the market is considered the most efficient way to allocate resources and solve problems the state and policies are transformed according to this rationale (Peck and Tickell, 2007; Brenner et al., 2010a). Under this conceptualisation, neoliberalism is portrayed as a geo-historical formation which propelled a process of global economic integration (globalisation), which consequently exerted pressure on political actors and institutions (Brenner, et al. 2010). The shift towards a deregulated market implied a restructuring of the state (Larner 2000; Springer 2012), which also affected governmental process.

3) Neoliberalism as governmentality refers to instruments for political intervention to govern the self and others (gouverner) and the rationale and modes of thoughts behind it (mentalité) (Lemke, 2001). Economic decision-making becomes the rationale for all spheres of life, according to neo-liberal academics. This provoked a twofold effect: neoliberalisation allowed a reduction of government structures because individuals have absorbed its rationale and external control is now inside every subject (Larner 2000).
I understand neoliberalisation in this research as an endless discursive process with contingent stability (Levy and Scully, 2007) in which these three representations are in a constant and dynamic relationship. The neoliberal discourse has introduced a different form of regulation of the self and others, creating place for a new form of state and policy programmes, which altogether respond to a broader ideological project. Discourse is understood 'not simply as a form of rhetoric disseminated by hegemonic economic and political groups, nor as the framework within which people represent their lived experience, but rather as a system of meaning that constitutes institutions, practices and identities in contradictory and disjunctive ways' (Larner, 2000: 12). On this view, discourses can only be represented and reconstituted when social actors put them into action. In addition, discourses are made up of contingent, linked but different elements that constitute a stable whole (Thomassen, 2005). Relying on the Foucauldian concept of power as a creative force, Springer (2012) argues that people structure their everyday life according to the hegemonic values which they have internalised and now consider as part of themselves. Thus, neoliberal discourse constitutes and constrains people and their reality.

An hegemonic discourse is understood in this research as a stable and contingent discursive construction (Levy and Scully, 2007), which is never total nor exclusive (Peet, 2002). Taking a critical stances towards, neo-liberal thinkers redefined the relation between economy and society (Lemke, 2001); their approach became dominant by the end of the 20th century. The transformation of neoliberal discourse led heterodox economists to query how what began as a marginalised position within the economic field in the 1950s and 1960s became the main economic alternative in the 1970s and globally hegemonic by the 1990s (Larner, 2000; Ayers, 2005; Thorsen and Lie, 2006; Peck and Tickell, 2007). In response, the concept of ‘variegated neoliberalisation’ becomes relevant, which suggests that neoliberalisation was made up of two stages, one of disarticulated practices and another of articulated policies. This stresses its contingent
nature. Peck and Tickell (2007) suggest that neoliberalisation first evolved erratically and was lacking in programmatic integration from the end of the Second World War until the 1970s. During these decades, some events can be identified as neoliberal, such as the rising significance of the market or increasing commodification. Such events took advantage of the inner Keynesian vulnerabilities and proposed different solutions. However they were local, uneven and disarticulated projects of neoliberalisation that proposed a way to reconstitute state and economy after the welfare era. This is what Brenner, Peck, and Theodore (2010) call the ‘disarticulated neoliberalisation stage’, as thinkers provided separate theoretical grounding to a range of elements of what was subsequently conceptualised as neoliberalism and its historical foundation.

Whereas in the first stage some isolated events occurred across the world, the second stage is characterised by the appearance of local programmes in many countries. It was called ‘deep neoliberalisation’, and the aim was to promote market rule as inevitable, to accelerate the imposition of the market rationale, and to generate the naturalisation and popular acceptance of the need for these changes (Brenner et al., 2010a). According to these authors, the neoliberalisation process was the result of a repetition of market-disciplinary events that shaped subjectivity over three decades and some experiments that accelerated the diffusion of marketisation, such as the inflationary events that the UK experienced during the 1970s and Argentina in the 1980s, as discussed in Chapter 2. Moreover, policy failure was put under the spotlight, as a preparation for positing the necessity of the reform of the state and the intensification of market rules and commodification through the diminution of welfare spending, the roll-back of the state in favour of the private sector and individuality, privatisation of national companies, and the imposition of a private managerial discourse (Peck and Tickell, 2007). Consequently, as suggested by Thorsen and Lie (2006), neoliberalisation led to a transfer of power from public to private spheres and from political to economic actors. It was during this time that existing fragmented practices became articulated into a global discourse.
In accomplishing these two phases and understanding how neoliberalisation became the hegemonic economic discourse by the end of the century, two actors were instrumental (Thorsen and Lie, 2006; Peck and Tickell, 2007; Brenner et al., 2010a). On the one hand, multilateral regulatory institutions, such as the IMF and the WB, were responsible for putting forward market rules all across the world, enhancing capital mobility and enlarging commodification. On the other hand, think tanks operated as organic intellectuals in the neoliberalisation process, systematising and organising the knowledge and aspirations of the dominant class they represented (Peck and Tickell, 2007). This was an ideological campaign in which corporate power influenced government, other academics, the judiciary, and the leaders of industry and finance through a network derived from the dominant economic class (Harvey, 2005). Hence, given the historical features outlined in Chapter 2, a ‘variegated neoliberalisation’ approach provides a significant insight in to the analysis of neoliberalism in Argentina and the UK, as it trades off structural and local influences. Recognising neoliberalism as a discourse that varies in meaning according to the location opens up the possibility of understanding it as both locally and globally, contested and unstable (Barnett, 2005; Peck and Tickell, 2007; Olssen, 2010). Within this approach it is possible to recognise the particular form that neoliberalisation takes in each country, as will be discussed in Sections 4.5 and 4.6.

The term neoliberalism originally described the principles embraced by the Mont Pelerin Society, a think tank founded by Milton Friedman and Frederich Hayek in the 1950s that promoted a right-wing version of the liberal agenda (Williamson, 2003). Neo-liberal thinkers proposed both an ontological and epistemological transformation of economic theory. Economics is presented as governed by the laws of nature, diluting the political power behind it. This leads no place for morality or attempts to correct distortions, as there is no injustice in the law of nature (Block and Somers 2014). Consequently, the economy is no longer a social domain with its own rationale, rather is constituted of all
the human actions; the focus is now human action governed by its own rationale, the economic (Lemke, 2001). This triggered two subsequent features of what then would later be called neoliberal discourse. First, it suggested that the state was no longer the guarantor market freedom, rather the state was controlled by the market. Secondly, the forms of government—both government of the self and others—draw on a shifting responsibility of social welfare from collective to individual (Lemke, 2001). Neoliberal discourse grew from its bases in the University of Chicago and London School of Economics, where Friedman and Hayek were based respectively, and these institutions were instrumental in spreading this thinking.

From the media, the concept of individual freedom of choice in opposition to the bureaucratic and inefficient institutions of the welfare state was constructed during the 1960s. Thus, think tanks were responsible for providing the national interpretation of this discourse. As argued by Peck and Tickell (2007), London think tanks -such as the Adam Smith Institute, the Centre for Policy Studies, or the Institute of Economic Affairs- gained relevance in the 1970s, constructing a political narrative of the British economic crisis at that time and offering their own solution, translating the worldwide neoliberal ideology into local parameters. According to Peck and Tickell, the crisis that the UK was undergoing in the late 1970s could have been tackled through controlling inflation, ending the abuse of union power, and a reduction in social spending and public bureaucracy (Peck and Tickell, 2007). On the basis of the historical events outlined in Chapter 2, I argue that acceptance of neoliberalism was achieved through consensus in the UK, whereas it required violent action in Argentina as the local narrative blamed guerrilla and social unrest for economic crises.

Proponents of the neoliberal ideology spread their own version of reality, first by using influential people to change elite opinion rather than focusing on public opinion more widely. These people subsequently spread neoliberal discourse as the new prevailing common sense formed in right-wing think tanks in London and Chicago, and induced
consent to the new status quo. “Discourses with hegemonic depth originate in political and economic command centres and achieve hegemonic extent by extending persuasion, coercion, and power over spatial fields of influence” (Peet, 2002; 57; Olssen and Peters 2005). Thus, isolated events were then traced back and presented as the foundation of neoliberalisation by neoclassical academics. This strategy enabled the movement of neoliberal discourse from a marginalised view in the 1950s into a dominant by the 1980s. The final intention of neoliberal advocates was broader than only provoking an economic transformation, as this quotation from UK Prime Minister Thatcher reveals: ‘Economics are the method: the object is to change the soul’ (Thatcher, 1981).

Gibson-Graham (2008) suggest that both actions and discourses are considered to have a strong constitutive power; when they define the reality they are also creating it. On this view, discursive meaning-making was first used by think tanks and multilateral regulatory institutions to manufacture a different state, enlarging the scope for competition, the market and private spheres and rolling back the boundaries of ‘the public’. Defenders of the interests of capital used this formulation to undermine the workers’ resistance mechanisms developed throughout the 19th and 20th centuries (see Chapter 2). Thus, neoliberal discourse forced people to incorporate the logic of the market and ‘accept that their social position is a function of market success and that the ‘good life” is defined by the possession of “stuff” and by practices of consumerism’ (Coraggio, 2017: 19). In addition, Chiapello and Fairclough (2002) have raised concern about the ‘new management ideology’ and the ‘spirit of capitalism’, a system of beliefs that justify companies’ rationale and people’s commitment to capitalism, respectively. As part of this framing, corporate social responsibility appears as a company’s voluntary strategy through which it can ‘do well by doing good’ (Falck and Heblich, 2007).

Moreover, the power of ideas shaped not only the outlook of policy makers, but also the daily practices of ordinary people. In this sense, the neoliberal discourse has constructed
a particular individual: 'the *homo economicus* -an anthropocentric, instrumentally (hyper) rational, atomistic and self-interested, utility maximising, autonomous, and economic' actor (Dash, 2014: 5; see also Barry, 2009). As argued by McMurtry (2012), the current hegemonic economic theory has been built upon this ‘rational’ individual, consistent with the maximisation of interest in money-value terms. According to this ideology, individuals are treated as workers or consumers who follow the principle of instrumental rationality; therefore, they are bought like any other commodity at the cheapest market price (McMurtry, 2012). Along with the global rationality that undermined workers’ resistance, the individuality of the ‘economic man’ sabotaged workers’ collective responses, which had evolved over the previous centuries (as will be discussed in the following chapter, these organisations were not based on market rationality). Feminist theorists such as Mellor (1997) have acknowledged this and pointed out that the ‘economic man’ exerts a material exploitation over women and nature. This economic agent built upon ‘greed and instrumentalism driven by the laws of profit maximisation, competition and capitalist accumulation’ (Dash, 2014: 5). In sum, the economic agent constructed by neoclassical theory is based on two premises - individualism and freedom - on which all the other principles of the economy are based: market security, *laissez-faire*, and minimal government. In this sense, neither collective articulation nor non-market associations have a place within a neoliberal worldview.

Although this neoliberal ideology might appear as a straightjacket, academic economics is not a terrain of disputes in which different theories compete for hegemony; on the contrary it is pro-market, neoclassical, and relies mainly on mathematical modelling (McMurtry, 2012; Scott Cato, 2012). It is based upon positivist ontology and an empiricist epistemology, which reinforces the legitimation of neoliberalism (this will be discussed further in Section 5.2). As argued by Langley and Mellor ‘ontological assumptions of economy as a rational mode of behaviour are both predicated on and reinforced by the individualist methodology of positivism’ (2002: 51). As a result of this scientism the
economy became a separate sphere of life, distant from the majority of people and a field only for experts, in a process that has been called ‘econocracy’ (Earle et al., 2016). This is what Scott Cato (2012) has pointed out when referring to Hazel Henderson’s call to unfrock the priesthood of economists who claim access to a revealed truth through modelling and prediction. In this sense, economics has become a technical terrain and its rationality has been founded on an ‘economic man’ who constantly seeks to maximise his individual utility. This consequently puts itself forward as the only possible alternative in the economic sphere, which reinforces the domination of markets over alternative forms of social organisation, collective and non-market responses.

In sum, in this section I have argued that discourses reflect the ideologies of social groups with unequal power; therefore, discourses reflect power relationships, which are supported by hegemonic ideas. Arguing that neoliberalisation is a hegemonic discourse uncovers a range of interests in the exercise of dominance and the creation of a coherent set of ideas and images, which produces a particular subjective but universal economic actor, the economic man. This ideology has come to dominate as the result of a power struggle; these ideas belong to an elite dominant block and work as ideology, which is transferred to the population, legitimising their subordination (Barnett, 2005). Hence, as argued by many critical scholars (Peck and Tickell, 2007; Brenner et al., 2010a; Springer, 2010), the conceptualisation of neoliberalism as a discourse enables the combination of top-down and bottom-up explanations of the phenomenon, recognising its mutable and variegated nature. Although neoliberal discourse has exerted its power over non-capitalist initiatives and made them invisible in the economy (Gibson-Graham, 2008), diverse theorisations of the economy have arisen. In particular, an alternative theorisation understands economic relations as centred on people rather than the market and suggests a mutually reinforcing articulation of society, politics and economy. This theorisation of the economy created in opposition to neoliberalisation is discussed in the next section.
3.3 Theorising a diverse economy

Despite the fact that neoliberal discourse became hegemonic in the understanding of the economy, hegemony is a contingent stability (Levy and Scully, 2007) never total nor exclusive (Peet, 2002). Therefore, contesting theorisations of the economy are also part of the hegemonic struggle. Over the past thirty years, some economists have suggested that market economy is failing even in its own terms to provide for basic human needs, and to provide wellbeing and minimise inequality (Mellor, 1997; Langley and Mellor, 2002; Cattani, 2013; Barry, 2009; McMurtry, 2012; Morgan, 2014; North and Scott Cato, 2017). In the same vain, Langley and Mellor (2002) consider marketisation to be both socially and ecologically unsustainable. Other authors have gone even further and pointed out the challenges that the economic system faces in the 21st century -namely, the challenges posed by social exclusion, low levels of social welfare, and the failing of standards of morality, governance and sustainability (Barry, 2009; Laville, 2013; Scott Cato, 2012; Dash, 2014; Coraggio, 2017; North and Scott Cato, 2017). The limitations of neoliberalisation have called into question whether this regime based on human and natural exploitation can last and what its long-term consequences are. Taking into consideration the large size of the population that is excluded and to avoid reducing social relations to the sphere of consumption, can a narrow, market view of the economy remain convincing? The salience of these urgent questions has opened up space for new and fresh economic theorisations that open up the possibility of imagining a new and quite distinct economic future.

The asymmetry of power between hegemonic and counter-hegemonic economic theories tend to make invisible those that suggest contesting argumentation. According to McMurtry (2012), collective actions to achieve social well-being are generally screened out deliberatively in the hegemonic economic discourse. In similar vein, Gibson-Graham (2008) raise questions about whether counter-hegemonic discourses
will continue to be marginalised, hiding alternative economic transactions that ensure well-being rather than profit, or whether they will become visible and the object of discussion with the purpose of making them appear as a convincing part of reality. There have been attempts to conceptualise economic solutions to neoliberal problems that have failed to question the values and interests of the current regime (Dash, 2014). Hence, in order to construct a radically diverse understanding of economy, this is the first step we must take. This research places an alternative discourse in the limelight, one that enables us to reconfigure the picture of the whole economy. This proposition consequently changes the schema of reality and challenges the ‘scientific standpoint’ that reality is something independent from ourselves that we only can observe. On the contrary, it suggests we are part of this reality and actors engaged in its construction.

This diverse economy is built upon the rationality of well-being, persons and environment above capital and wealth. The construction of neoliberal economics as an objective science based on mathematical models has led to the divorcing of economic decisions from ethics. Although classical liberal thinkers such as Adam Smith and John Stuart Mill did not seek to detach economics from its moral and ethical underpinning, this path was not followed by later economists and was specifically negated by the hegemonic model of scientific economics, as discussed in the previous section. Conversely, an ethics of care, cooperation and solidarity is central to the construction of a diverse economy (Dash, 2014), in opposition to the competition and individualism of neoliberalism. This means that it is a means to serve human ends through a range of logics of economic action.

Market economy is understood by Karl Polanyi as a self-regulating system ‘directed by market prices and nothing but market prices’ (2001:43). In his own view, capital, land and labour became ‘fictitious commodities’ in market society, and ‘to allow the market mechanism to be sole director of the fate of human beings and their natural environment, indeed, even of the amount and use of purchasing power, would result in the demolition
of society’ (2001:76). ‘The idea of self-adjusting market [implies] a stark utopia’ (2001:3) as a non-place created by classical economics as part of the ‘naturalistic fallacy’ that suggest society is governed by natural laws (Block and Somers 2014). Through pointing this out, his intention is to highlight the role of political power in the economy. What Polanyi pointed out in the middle of the 20th century continued to evolve so that by the end of the century these contradictions had become more evident.

According to Polanyi, society has developed inner mechanisms to counteract self-regulation. ‘Inevitably, society took measures to protect itself, but whatever measures it took impaired the self-regulation of the market, disorganised industrial life, and thus endangered society in yet another way’ (2001:3-4). Linked to this is the concept of double movement that will be discussed below. There have been many examples that have opposed the competitive, and individualistic, approach of market economy in regard to conceptualising labour, capital, and land differently, such as worker cooperatives, alternative currencies, or housing co-ops (Scott Cato and North 2016). Hence, the initial tendency —the creation of a market society— produces an opposing reaction that protect society from marketisation.

Polanyi recognises that markets are old political institutions although what is new is ‘the idea of the market as the main organising principle of society (...) along with the belief that the motives of gain and profit are universal determinants behind human action (2001:43). However, this contradicts the neoclassical idea that the market is a natural institution and that exchange is a natural propensity of humans. Indeed, Polanyi places the focus on other economic principles that have been underplayed in market society: ‘all economic systems known to us up to the end of feudalism in Western Europe were organised either on the principles of reciprocity or redistribution, or householding, or some combination of the three’ (2001:57). Hence, in Polanyi’s theory there is a central place dedicated to non-market activities. As Polanyi considers the conditions for commodification are not natural, he suggested they have been ‘created through strong
political intervention’ (2001:41). Market economy demands for an ‘institutional separation of society into an economic and political sphere’ (2001:71), similar to what has been discussed in Section 3.2. Therefore, the alternative for self-regulating market is, in Polanyian terms, a society with embedded markets. Relying on Muellerleile’s (2013) understanding, Karl Polanyi (1957) has argued that economy should be substantive rather than formalistic. Hegemonic economics has been particularly focused on economic means — allocation of scarce resources — and has abandoned the interest in economic ends — individual and social development. Hence, substantivism describes the difference between an economy that makes provision for livelihoods and one focused on profit-seeking. This approach understands economic action as embedded in society and taking a variety of institutional forms, of which the market is just one (Muellerleile, 2013). Market institutionalisation heavily influences the wider frame of reference of economic action, and conditions alternative economic forms that deny the historical, geographical and contingent nature of the market, which serves particular interests. In this sense, many authors such as Dash (2014) and Langley and Mellor (2002) have argued that market dominance has been established to the exclusion of non-utilitarian rationales, non-market relations and non-monetary exchanges. In contrast to the neoclassical idea that the market is a setting governed by rational individuals and separated from non-market activities, substantivism suggests that the economy is embedded in society (Mellor, 1997), and economic activities are closely linked with everyday social relations and suffused by values and norms (Dash, 2014). Thinking of economy as part of society allows us, according to Laville and Salmon (2014), to understand it as a means to serve human needs through a range of economic actions, putting individuals back in relationship with each other and with nature.

Neoliberal hegemony is maintained via the rationality of the economic man, through neglecting non-market transactions and, as Mellor (1997) argues, by keeping apart indivisible parts of human nature such as women and natural resources. In this sense,
Gibson-Graham (2008) state that capitalism is the result of multiple forms of exchange that coexist and intertwine with capitalist markets, in which non-capitalist forms of provision are necessary but downplayed. In turn, substantivist economics draws on the integration of social institutions, which according to Polanyi (1957) distinguishes three coexisting main economic principles — exchange, redistribution, and reciprocity —, and place the focus on the dominance of one over the others (Evers and Laville, 2004; Coraggio, 2010; Dash, 2014; Laville and Salmon, 2014). Laville and Salmon (2014), who also rely on Polanyi, explain that ‘reciprocity denotes movements between correlative points of symmetrical groupings in society; redistribution designates movements towards an allocating centre and out of it again; exchange refers to vice-versa movements taking place as between hands under a market system’ (ibid: 12). These forms of social provision are diverse in nature, and none of them can be reduced one to the other or identified as superior. In contrast with the neoclassical idea of a single market, substantivist economics understands economy as a compound of diverse and overlapping institutions; as a ‘multilayer social structure’, using Langley and Mellor’s (2002) words.

Contrary to the separation of spheres of life, substantivist economics proposes the re-embeddedness of economy into society, but also of politics into economy. Although these two domains are completely separate in neoliberal economics, this is challenged by what Polanyi identified as a double movement (Brenner et al., 2010a; Muellerleile, 2013; Scott Cato, 2012; Laville and Salmon, 2014; Utting, 2015). The first movement was towards marketisation: the neoliberal regime pushed for market liberalisation, which provoked negative impacts on large sections of the population. The second movement consisted of the evolution of social protection to counter the negative effects of marketisation (Scott Cato, 2012). In this way, responses to neoliberal imposition engendered outcomes that represent new forms of dislocation, conflict and political action against neoliberalisation, in opposition to the regulatory order (Brenner et al., 2010a). These points of resistance
appear more vividly during times of crisis, when it is possible to see through the cracks of the hegemonic discourse and glimpse what lies beyond; what had been kept invisible before. Hence, neoliberalisation not only transformed the previous socio-economic regime, it also opened up political spaces where marketisation can be contested and alternative economic forms developed.

Overall, in order to think about a diverse economy, new ideas are not enough; we need to think with a different mind. We need to eradicate the *homo economicus* from our thinking and replace him with an ecological and socio-economic actor. We need to challenge the hegemony of neoliberal capitalism; we need to find ways to counteract this colonisation of the mind (Scott Cato, 2012; Wa Thiong’o, 1994). Substantivist economics contradicts the impoverished social representation ingrained in hegemonic economy and the standpoint that there is no alternative to neoliberalism (Dash, 2014). They also reject totalising concepts, and highlight that not yet does not mean never (Gibson-Graham 2006). As part of this transformation, economy is understood as existing beyond the market and the political as beyond the state (Laville, 2011). In the light of the dislocations of neoliberalism that have been dissected in this section, it is time to introduce the impact that economic discourse has had on concrete economic action.

### 3.4 The impact of the hegemonic discourse on a range of economic action

So far, we have explored two distinct theorisations of economic action: neoliberal and substantive economics. In this section I am going to pull together the way that these two theorises have collided in practice through a consideration of the SSE. As argued in the previous section, the neoliberal discourse posits an economy disembedded from the social world, which conversely is its essential though unrecognised substratum. Moreover, the SSE is utterly marginalised in this way of thinking, because it is based on a whole understanding of human nature and morality, opposed to the neoliberal
underpinnings. When viewed through the neoliberal lens, the SSE is considered as a way that only amends the worst aspects of the regime. This gives rise to an understanding of SSE as a site to ameliorate the worst consequences of the free-market economy. I define this conceptualisation of the SSE as ‘palliative’, as this term is used in medicine to refer to the relieving of pain without addressing its causes. By contrast, substantivist economics proposes a theorisation that challenges the hegemony of neoliberalism and aims to transform economic reality and the underlying social relations that support it. This is what I have defined as the ‘transformative’ pole, which conceives of the SSE as a site for a quite different and emancipatory understanding of economic life. This pole not only seeks to transform economic action by actively engaging the actual understanding that is entirely dependent on the market, but also redefines the role of the economy as the reproduction of the social life. I argue that the two views of economy identified in previous sections give rise to two completely different understandings of the SSE. I have drawn out this dichotomy as a central axis of this thesis; the dichotomy between palliative and transformative conceptualisations of the SSE.

These two poles arise as a consequence of competing understandings of the world, and of human beings as the result of acceptance of a given order or a power struggle that has to contest it. Transformative and palliative discourses do not appear as ideal types but rather organisations represent both of them, to a greater or lesser extent. So we have a continuum rather than a binary division. Their existence in reality is intertwined and SSE organisations experience an internal contestation between these two opposed ideologies. In this sense, I have argued elsewhere that co-ops (Raffaelli 2016) and voluntary organisations put both discourses into practice at the same time and their position with regard to the poles is the result of a trade-off between them, challenging the incompatible theorisation of these two discourses presented in the literature. Taking
these two poles together reveals the immanent and unresolved tension of the SSE. I discuss them individually in the following two sections.

_Palliative discourse of the SSE_

As outlined in Chapter 2, the capitalist system has exposed large sectors of the population to harsh living conditions, and the role of civil society throughout history has been central in tackling these (a process that will be also discussed in Sections 4.4, 4.5 and 4.6). Traditional theories of the economy recognise three sectors: the traditional economy that served the general interest, the private market, and the third sector. This latter combines ‘formal and informal elements at the level of organisation, market and non-market-oriented production and valorisation of goods and services, monetary and non-monetary resources at the level of funding’ (Moulaert and Ailenei, 2005: 2042). Hence, by the end of the 20\textsuperscript{th} century, civil society, the state and the market were collaborating over welfare provision along with the idea of the SSE as neither the state nor the market, but a part of the third sector (TS). Within this context, the term social enterprise became mainstream, which broadly speaking refers to market-based organisations that tackle social issues (Nicholls and Teasdale, 2017). This understanding was dominant in Europe and was associated with the delivery of public services and providing work integration (this will be discussed further in Section 4.5), although it also refers to a North American standpoint linked to the non-profit sector (NPS) (Galera and Borzaga, 2009). Regardless of the geographical differences, the concept also yields conceptual disparities, as evidence suggests it has changed its meaning to serve political interests in the last decade (Teasdale, 2012; Smith and Teasdale, 2012). I argue that TS, social enterprise, and NPS concepts understand the SSE within the hegemonic order and propose a subordinate understanding of SSE’s role in the market system, which for this reason I theorise as palliative.
According to Defourny (2009), NPS is a concept mainly used in the United States. It refers to non-profit enterprises that through income-generating activities NPS organisations support social goals (Kerlin, 2006). This definition is culturally specific, since in the USA non-profit organisations are not allowed to distribute a surplus, which is linked with the legal definition of the organisation rather than its aim. This excludes co-operatives from NPS scope, whereas they are central in the SSE definition (Salamon and Anheier, 1997). Moreover, NPS relied on the central principles of social entrepreneurship, social-purpose businesses and social innovation (Kerlin, 2006). Although it is possible to establish a few correlations between the NPS and SSE, such as both placing importance on self-governance and independent management, Defourny and Develtere (1999) and Defourny and Nyssens (2010) draw even clearer distinctions. First, the aim of SSE organisations is to serve their members, whereas NPS organisations are not member-focused and members do not participate in their governing bodies. Second and consequently, democratic decision-making is central to SSE organisations but not a requisite for NPS. To summarise, the focus of SSE is the welfare of their members and the wider community, whereas NPS is focused on revenue generation, which responds to a market rationale and neoliberal discourse.

Laville (2013) is very critical of the NPS approach as it conceptualises the SSE within the neoliberal logic as complementary to the market. Hence, these organisations arise as a consequence of market failure in the provision of individual services and of state failure in the provision of collective services. This theorisation implies a hierarchy of the three economic poles, in which market is the first service provider followed by the state and the ‘third sector’. This approach has been taken up by many governments through the idea of partnership, which placed greater importance on voluntary and non-profit organisations and the government’s interaction with them (I will discuss this further in Sections 4.5 and 4.6). The partnership between the government and the SSE led to an increasing interdependence between them, and some blurring of boundaries (Kramer,
2000), leading to the development of what is known in many countries as a ‘mixed social economy’. According to Lyons (2001) this attempt to transform the sector and to bring it within the economic rationality of competitiveness, pushed the SSE a step closer to the market. Hence, the NPS approach accepts the hegemonic discourse, and understands the SSE as responsible for filling the gaps left by the state and the market. For these reasons I consider it as belonging to the palliative side of theorisations of the SSE.

Whereas the NPS approach that dominates in North America is focused on profit generation, in Europe an approach based on the distinction between capitalism and social organisations is preferred (Laville, 2013). Within this framework, social enterprises are defined by EMES (standing for *Emergence des Entreprises Sociales en Europe*) as ‘organisations with an explicit aim to benefit the community, initiated by a group of citizens and in which the material interest of capital investors is subject to limits’ (Nyssens, 2006: 5). They present a fusion of goals: social goals refer to the benefits they bring to the community; economic goals relate to their entrepreneurial behaviour; and political goals arise from their engagement in political activism (Pearce, 2005; Campi et al., 2006). As a consequence of these mixed goals, they have been considered a middle point between co-operatives and non-profit organisations, as well as between the market, the public sphere and civil society (Gardin, 2006; Nyssens, 2006). According to Kerlin (2006), they are heavily linked with governments, which have developed public schemes and financial programmes to support them, and are particularly focused on the provision of services. They vary between the co-operative or associative legal form, depending on the legal framework of the country where they are active (Nyssens, 2006).

As argued by Geddes (2000) this approach to social enterprises responds to a ‘new orthodoxy’ that arose all across Europe in the 1990s, which proposed the third sector as a setting for economic and social regeneration, establishing local partnership agreements as a focus of public policies. As part of this, the SSE was posited as a bridge between social exclusion and the mainstream economy (Cohen, 2011). In this sense,
governments understood the SSE as a partner in welfare provision and as a way to increase public efficiency, thus reducing dependence on central government. As argued by Spear and Bidet (2005), social enterprises provide solutions in three intertwined sectors: welfare services, work integration, and local development. An example of the partnership is the case of Work Integration Social Enterprises (WISEs), whose main objective is to help the unemployed or people at risk of social exclusion, integrating them back into work and society via a productive activity (Borzaga and Loss, 2006). Despite the fact that the European approach highlights the social aspect of organisations and recognises the need to tackle social exclusion, it does not address its causes. Social enterprises appear as organisations that accept the neoliberal hegemony in two senses: first they do not fight against the causes of social exclusion, they address its consequences; secondly, they provide welfare services according to a market rationale. This also implies that SSE is a second-rate option for those who are not capable of finding a job in the mainstream economy. In a neoliberal context, in which everyone is responsible for his or her own security, the conceptualisation of social exclusion as an individual category can in itself be considered to be ideological. Moreover, the idea of the SSE as an inferior sector -as just a way to survive- portrays it as a sticking plaster to cover the deepest wounds of capitalism (Amin et al., 2003).

Although European and North-American social enterprises grant a significant importance to the TS, they both rely on the neoliberal economic understanding. They accept the worldview proposed by the hegemonic discourse and their real economic action arises from that. Moreover, these approaches are rooted in classical liberal principles, which understand the SSE as a means for moral and economic regeneration and a rejection of state intervention and profit as the engines of economic activity (McMurtry, 2015). Amin et al. (2003) argue that this marginalises the SSE and leaves it dominated by the state and/or the market, which has primarily a welfare function towards the socially excluded.
Therefore, the SSE is not seen as part of the economy, nor as having the potential to enhance empowerment.

In sum, all these conceptualisations are underpinned by the idea that the rules of the game are set and agents are severely constrained in their actions. For all these reasons I have theorised these approaches as belonging to the palliative pole, because they do not challenge the dominant economic discourse. It is an ideologically motivated decision to conceptualise the SSE in this way — although not always a conscious one— as it assumes a neoliberal understanding of SSE, emptying it of its values and rationale. Such definitions evoke a particular set of meanings that do nothing to destabilise conventional wisdom about development, democracy, and sustainability. Hence, the approaches of both North American and European social enterprises reproduce the hegemonic discourse of the economy, and therefore, reproduce relationships of domination. However, an opposite theorisation of the SSE understands it as an alternative to the hegemonic discourse, uncovers these hidden power relations and includes a variety of forms, not only the market, in its description of the economy. It is this emancipatory theorisation of the SSE that we move on to in the next section.

**Transformative theorisations of the SSE**

In response to the upheaval of the Industrial Revolution, many social actors did not respond as economic theory might suggest, by operating in their own self-interest, but rather banded together into associations based on solidarity to improve the conditions of society at large. They identified the hegemonic economic discourse itself as the problem and the cause of exclusion and poverty. This was also acknowledged by many authors who have argued that capitalism is failing to provide a decent income and secure livelihoods (Langley and Mellor, 2002; North and Scott Cato, 2017). In this sense, these responses that act as points of resistance emerged from the core of capitalism’s own limitations. Practical contestations to the hegemonic order have arisen many times in the
past centuries, although the focus in this research is on co-operatives and voluntary organisations. Rather than accepting neoliberalism as dominant and irreversible and therefore finding ways to cope with its consequences, they have confronted these ideas. They emerge as points of resistance from the grassroots and challenge the hegemonic understanding of the economy. These actions have been based on the values of cooperation and solidarity rather than competitiveness, and their significance in history has been downplayed, and not accidentally (Gibson-Graham, 2008), as I will argue later. In this sense, making alternatives visible questions the unchallengeable manifest destiny of the capitalist system, which is the rhetorical power of the concept of the SSE.

The organisations that make up the SSE have been conceptualised with regard to its legal or normative aspects. The former identifies the organisations according to their legal definition, which is traditionally composed of co-operatives, mutuals and associations (Evers and Laville, 2004; Pearce, 2005; Hulgard and Spear, 2006; Defourny, 2009). As their role might change and the legal definition of organisations might vary from one country to another, a definition based on SSE principles appears to be more appropriate. The normative definition of SSE establishes the boundaries of SSE with respect to the values and principles that underpin the sector: ventures ought to serve their members’ interests, follow a democratic decision-making process, recognise the primacy of people over capital, and follow an autonomous management process (Defourny and Delveterre, 1999; Pearce, 2005; Hulgard and Spear, 2006; Defourny, 2009; Laville, 2011; OECD, 2013). As the aim of this research is to compare the SSE in two countries, deriving the comparison from the legal definition might lead to misinterpretations originating in their legal differences. Hence, linking organisations to the role they play is more relevant and the analysis of SSE will be done in relation to their values and principles.

Another way to characterise the SSE is as any economic activity performed neither entirely by the state nor the market, although this is slightly different from the one
provided by TS theory. Relying on Laville's (2015) historical account of the SSE, this
definition was useful during the welfare era, not because of its accuracy, but rather
because the state and the SSE were working together to provide protection from market
rules. However, the critique of social movements for limited democracy in the 1970s
called into question the definition of the SSE as neither state nor private; this was
considered a diversion from the SSE’s normative base. Hence, rather than focusing on
what the SSE is not, market, government and the SSE distinguish themselves for their
own rationalities. Therefore, social well-being is central to the definition of SSE, as
redistribution and competition are with regard to state policy and market activity
respectively (McMurtry, 2015). The SSE is neither part of the state nor part of the market
because it has its own rationality, defined by prioritising well-being. In sum, in this
research the SSE is understood neither as the legal form of the organisations, nor the
focus of their activity. Rather, the SSE is defined by its own values of social justice,
reciprocity and solidarity, and in opposition to a market ideology. For this reason, I
consider the SSE as a transformative theorisation of economic action and social
relations.

On the basis of the three economic principles, many authors have argued that the
economy is tripolar (Coraggio, 2002; Pearce, 2005; Laville and Salmon, 2014), being
distinguished by three different rationales, forms of governance, and relationships.
Moreover, SSE organisations have social objectives and, although they may engage in
some market activity, the economic principle does not prevail over the social objectives
of the organisation. Indeed, this is the core of the social innovation of the SSE: they are
democratically structured organisations that seek to meet economic needs through non-
economic strategies, with the collective as the main source of the process (Dash, 2014).
In this sense, recognising the SSE as having its own rationality, governance and
relationships allows us to think of it as an economic pole in its own right rather than as
complementary to or dependant on the state or market. This is linked with the idea of
embeddedness already discussed: the economy is part of society and there is a
dialectical relationship between these spheres and the political sphere. Moreover, on the
basis of the original practices of the movement in the 19th century, the SSE currently
proposes an alternative to the hegemonic economic rationality, which re-embeds market
in society. Table 2 illustrates the distinctions between the three poles of the economic
system.

Table 2- The tripolar economic system

<table>
<thead>
<tr>
<th>Dominant actors</th>
<th>Public</th>
<th>Private</th>
<th>SSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rationality</td>
<td>State</td>
<td>Market</td>
<td>Community</td>
</tr>
<tr>
<td>Relationship</td>
<td>Distributive</td>
<td>Competitive</td>
<td>Cooperative</td>
</tr>
<tr>
<td>based on</td>
<td>Authority</td>
<td>Exchange</td>
<td>Solidarity/Reciprocity</td>
</tr>
<tr>
<td>Governance</td>
<td>Control</td>
<td>Freedom</td>
<td>Participation</td>
</tr>
<tr>
<td>principle</td>
<td>Public goods</td>
<td>Wealth creation</td>
<td></td>
</tr>
<tr>
<td>Value creation</td>
<td></td>
<td></td>
<td>Blended values (social, ecological, moral, and economic)</td>
</tr>
</tbody>
</table>

Source: Dash 2014

In discussing the SSE we need to explore the limits of the hegemonic discourse. This
exploration rejects fixed definitions that take the whole as one piece, whereas it is the
sum of contested events. Considering the limits of the market raises the question about
how solid the idea of market is, and allows us to explore other things that are necessary
to the reproduction of market relations, such as reciprocity and redistribution. Moreover,
following Muellerleile’s (2013) theorisation of Polanyi, a wider economic ‘frame of
reference’ reveals the influence of the market on other institutions, such as the state and
SSE, and to what extent they have been reframed by means of the market, and
abandoned their original motivation of humanising the economy. The following graphic
shows the economic system composed of the market, the SSE\(^2\), and government.

\(^2\) Two subsections have been identified within the SSE. Whereas in the tradable sub-sector organisations gain incomes from market activity and economic surplus can be distributed among...
Locating the SSE at the boundary of neoliberal economy destabilises the core, challenging its unidirectional mode of production and commercialisation, and more deeply, its singular economic rationality. Voluntary organisations are at the boundary of the state as public-service providers; co-ops are at the boundary of market economy because they participate in it but are not part of it. The economic system is a complex apparatus that comprises government, SSE and market with different rationalities in each. Thus, the definition of economy is a permanent struggle among these three sectors. Therefore, it is important to examine whether the SSE can struggle or protect against these various tendencies that jeopardise SSE values.

Figure 1 - The economic system
One central element to distinguish between palliative and transformative relations of the SSE is solidarity. Palliative theorisations understand that rational economic individuals should take care of their own, as discussed previously. This is reflected in the research done in the field by Anheier and Kendall (2002), who theorise solidarity as built on a base of trust, as a thicker subsequent layer. Thus, the concept of solidarity has been deliberately used to downplay the challenging aspects of the SSE in Western economies. Western literature focuses on philanthropic solidarity, related to charitable and asymmetric relations, with little attention being paid to reciprocal solidarity, a solidarity that arises between peers (Laville and Sainsaulieu, 1997). This is the transformative element of the SSE, as individuals contradict the 'economic man' principle and work together in cooperation, community and solidarity. I particularly focus on this type of solidarity, which is the basis for constructing diverse social relations. The SSE not only provides alternative economic spaces that ensure social protection, build trust and enhance group cohesion; it also produces the factor ‘C’, which is the main and foremost resource according to Razeto (1981). Factor ‘C’ is the human capacity to co-operate, create a communitarian spirit, and generate a collective initiative, which Dash (2014) points out as a powerful epistemological challenge to the hegemonic economic discourse.

In sum, the concept of SSE is transformative from its core. It rejects the hegemonic economic discourse and proposes the SSE as an economic sector in its own right. It suggests that the economy is tripolar, where each pole has its own rationality, values and relationships. Moreover economy is embedded in society and they are influenced dialectically by politics. The SSE is a radical point of resistance that challenges neoliberalisation as the only economic rationality. In contrast to the understanding of solidarity as a synonym for benevolence, it is reciprocal and suggests that through cooperation it is possible to build up diverse social relations. For all these reasons I consider the SSE as transformative of capitalism. Having discussed the palliative and
transformative poles, the next section outlines how these two discourses are intertwined in reality.

**The immanent tension of SSE organisations**

As outlined, my study of the literature demonstrates that theorisations of the SSE often gloss over an important dichotomy regarding its alleviative or transformative role (McMurtry, 2004; 2009). On the one hand, some authors have emphasised the importance of the increasing interdependence between the private and public sectors in the provision of social services (Kaufmann, 1991). This is the case with many organisations reliant on public funding or donations that aim to improve human well-being (Nickel and Eikenberry 2010), and that minimise the effects of globalisation (Brooks et al., 2009). Governments in many countries have recognised and supported SSE organisations as partners in welfare provision, and created social acceptance for the involvement of extra-state organisations in the delivery of public services (Anheier, 2004). Moreover, the role of SSE in tackling poverty has been recognised (Nyssens, 2006). This would suggest a change in both government and SSE organisations’ roles, as the public policy sphere was previously dominated by the state during the welfare regime (see Chapter 4). Moreover, this is what has been identified as the palliative discourse in the SSE, which does not challenge the hegemony of neoliberalism, but only copes with its consequences.

On the other hand, scholars have also suggested the idea that SSE is an alternative space for different economic development, which takes into account individuals, families and communities and produces society along with economic utilities (Coraggio, 2002). Following these lines, Amin et al. (2003) consider the primary interest of SSE as building social capacity, covering under-met needs and, through this process, creating new forms of work. Thus, the production of goods is not what makes SSE stand apart, but rather the way SSE actors organise and manage this production (Molloy et al., 1999); hence the
social relations that the SSE creates are central to its rationale. Although this trend recognises different rationalities between SSE and the market economy, it acknowledges that SSE organisations might be run as successful businesses, albeit with a primary interest in social construction (Amin et al., 2003). This is the alternative discourse, the one that proposes that another economy is possible, that understands the market as only one slice of the economy and that proposes social justice and reciprocity as the rationale of the SSE.

Defourny and Develtere (1997) have traced forms of association in the Greek and Roman Empire. They argue that from the Greek empire to the dawn of capitalism, this was the dominant form of economic relations. Throughout that time people mostly met their needs through socially organised economic systems, using reciprocity, sharing and gifting to make provision. However, the origins of what is known as the SSE emerged during the Industrial Revolution in Europe as a collective response to the problems that the new productive regime was generating. It was a strategy for diminishing the negative impact that capitalism was having on workers’ lives. This historical background raises the question, why if there were forms of ancient association dating back 2000 years, was the term *economie sociale* only coined in the 1900s? McMurtry (2015) suggests that in parallel with the emergence and domination of capitalism as a global system, it became increasingly necessary for alternatives to it to be defined and identified under the label of SSE. Thus, in the light of neoliberalisation, and the discussion about the influence of market economy on culture, it is pertinent to call into question to what extent those organisations that emerged as alternatives to capitalism back in the 19th century upheld their principles untouched. And, it is timely to question whether the SSE has been co-opted into the regime of global dispossession (Ciancanelli and Fassenfest, 2017) or whether it is a tool for organising hope in an alternative reality (Dinerstein, 2017). In order to answer this question, I focus particularly on worker co-operatives and voluntary organisations.
The co-operative movement was established on the basis of the Rochdale principles\(^3\) in Europe in the early 19th century. One possible explanation for its limited appearance in mainstream histories was suggested by Robertson (2013) who argues that co-ops have been marginalised by the labour movement as a consequence of their aim to mobilise support around consumption, rather than production. In this sense, co-op principles support a socially inclusive co-operative economy, as suggested by North (2017), and not only in finding better ways to survive. Robert Owen considered that organised workers would restrain the destructive effects of capitalism and take advantage of its benefits derived from industrialisation (Mendell, 1990). According to G.D.H. Cole (1920), Owen identified the root of the moral and political problems as lying in a wrong organisation of the economic structure underpinning society; interestingly this was similar to the diagnosis made by Polanyi. Comparably, Cole (1920) held the view that social and economic relations should not rely on market criteria. Both Owen and Cole have created from practice a counter-narrative, a discourse that worked as a support for the co-operative movement and confronted capitalism.

Worker co-ops rely on the principle of work as a creative and productive activity and aim to oppose the alienating, profit-driven and desking process that capitalist organisations impose on workers (Atzeni, 2012). They have a main social purpose of safeguarding high-quality employment (Pearce, 2005), which may be accompanied by others, such as minimising environmental damage, benefiting the local community, or enhancing SSE in general. However, co-operatives in many cases appear as a second-best employment option during turmoil (Salamon and Anheier, 1997), rather than as an alternative to the mainstream economy, which ultimately is the cause of poverty and vulnerability. Additionally, the use of the legal co-operative form has also served market purposes. Business-oriented co-operatives lower their production costs via outsourcing as a

\(^3\) These refer to the principles formulated in 1844 by the Rochdale pioneers, considered the pioneers of the modern cooperative movement
strategy for competing with market firms, and cases have been documented in Argentina (Ruggeri, 2011) and Brazil (Lima, 2004). Rather than representing radical co-operative values, business-oriented organisations expose the intention of neoliberal discourse to colonise counter-hegemonic practices.

A large amount of literature in the field of co-operatives describes their role in reducing poverty and minimising the direct impacts of neoliberalism, mainly in developing countries and the agricultural sector (ICA, 2016; Allahdadi, 2011; Benson, 2014). Moreover, disadvantaged groups have formed co-operatives as a solution to the problem of generating income and empowerment. This is the case with women in a small village in Uganda (Dol and Odame, 2013), autonomous waste pickers who improved their working conditions by forming co-operatives in Argentina (Maldovan Bonelli, 2014), or unemployed people who decided to set up co-operatives in order to preserve their living conditions, also in Argentina (Dinerstein, 2007; Ranis, 2010). These activities would be conceptualised as work integration forms under the European framework of social enterprises already discussed. Although co-operatives are an efficient tool to enhance a worker’s social capital in response to harsh employment situations (Raffaelli, 2013), it is important to contrast endogenous workers’ experiences from those that only see co-operation as a second-best employment option. I chose to study co-ops because I am interested in both economic discourses and cooperatives provide an interesting site to compare and contrast them.

Although many traditional Marxist theorists have discredited the emancipatory potential of worker co-operatives, as discussed by Atzeni and Ghigliani 2007, this is not the case with this research. Within an economic perspective that proposes a transformation of the economic structure in pursuit of redistributive justice, sustainability, and participatory democracy, the analysis of worker co-operatives can shed light on an important sector of the SSE. In this sense, self-managed work is central, as it acknowledges that employment inclusion in the capitalist market is no longer an option for large sectors of
the population (Coraggio, 2010), and making alternative forms of employment can contribute to the enlargement of the frame of reference of economic actions, making counter-hegemonic practices visible. Worker co-operatives are based on the values of self-management, democratic decision-making, solidarity, and production of goods taking people into consideration (ICA, 1995; Novkovic, 2008). Moreover, they should be considered as organisations operating with a double focus, as argued by Scott Cato et al. (2007). On the political side they challenge the prevailing hegemony; on the cultural, they act as symbolic incubators of reflexive action about employment, identity, and transformation. Therefore, worker co-ops can be conceptualised within the SSE, and some insights into the transformation that the market has provoked on its values are reported in subsequent chapters.

The tension in worker co-ops has been pointed out by Vuotto (2012a) who distinguishes between what she calls the firm -the economic side- and the association -the social, and theorised a typology according to the trade-off between these two poles (Table 3). According to the author, ‘The integration of both dimensions (association and firm) ensures that the vision of the association does not question the efficiency of the firm, whilst equally ensuring that the objectives of the firm do not contradict the challengers of the association, as the mission should be realized through the firm’s activity’ (Vuotto, 2012a:92). Although the typology was created for the analysis of the Argentinian case, it can be used in other countries.

The business-oriented type is an organisation in which primacy is given to the ownership and the rights it endows. The induced type responds to organisations that arose as a consequence of public policies, and co-operatives are for a means of providing employment to those excluded. These two types can be framed within a palliative understanding of co-operatives, which has been discussed above. The integrated type balances the firm and the association and the duties and rights of workers. Finally, the activist type is focused on ensuring workers’ rights as the foremost aim, based on the
nature and content of the work, and on building up an egalitarian and solidarity structure. Hence, Vuotto's theorisation results in a four-way typology that is useful for my analysis of two worker co-operatives, which will be done in Section 6.2.

Table 3 - Typology of worker co-operatives

<table>
<thead>
<tr>
<th>Economic side</th>
<th>Social side -</th>
<th>Social side +</th>
</tr>
</thead>
<tbody>
<tr>
<td>+</td>
<td>Business-oriented</td>
<td>Integrated</td>
</tr>
<tr>
<td>-</td>
<td>Induced</td>
<td>Activist</td>
</tr>
</tbody>
</table>

Source: Vuotto (2012a)

Voluntary organisations grew up alongside the emergence of democracy in Europe in the 19th century, and were considered as ‘citizen-related and fundamentally socio-political’ (Evers and Laville, 2004:23); they reflected the spirit of a good citizen. They were motivated by different values such as mutual interest and altruism, or solidarity and philanthropy. In practice, quite different forms emerged, typified by the models followed by British and French organisations. The former pursued the benefit of a specific social group, while the latter sought to foster mutual interest and solidarity among its members. Moreover, religion played a role in the construction of voluntary organisations, as it provides individuals with moral standards and a philosophy of life (Lam, 2002). According to the classification provided by Hammond (1961), religions are inclined towards the individual or the community, focusing on social issues or on individual morality. Following this distinction, we might generalise that community values are dominant in Catholic religion, whereas Protestantism relies more heavily on individual morality. This is supported by Evers and Laville (2004), who suggest that in Protestant societies, charity became a social value, which enshrined an ethic and a sense of responsibility towards others; it is a way to demonstrate grace in order to go to heaven. In contrast, voluntarism was imprinted with religious ideas over the basis of community affairs in Catholic countries (Thompson and Campetella 1994) and under the premise of giving without
making it public, following the premise that your right hand does not have to know what your left does (Pache, 2011). This suggests voluntary work arising from a different ideological basis in these societies.

In recent years, voluntary organisations (VOs) have faced a tension between their common good values and the market, as a consequence of their partnership with governments. Although the shift to the mainstream can be seen as positive as it brought funding to the sector, it also provoked negative outcomes. According to Ryan (2014) VOs had to adjust to a marketisation environment and this new understanding of the sector transformed the understanding of public good into individual responsibility. Moreover, Cornforth (2014) argues that high economic reliance and the demand for market competition among VOs might provoke a mission drift in organisations, either over-focusing on social aims and failing economically or being inclined towards the market and losing their social goal. In this sense, VO participation in the market can undermine or eliminate their commitment to the value of the common good. Conversely, McMillan (2004) highlights their role in minimising the effects of these tendencies. Hence, personal and political motivations proved mutually reinforcing in maintaining VO values, although the partnership with the state might have undermined them. Furthermore, VOs might not appear as directly confronting the hegemonic order through mobilisation, although they establish alternative social spaces within the current system (Scott Cato et al., 2007).

Differences in the palliative and transformative role of VOs are rooted in the values upon which the organisations were established. Transformative organisations are based on the principle of reciprocity, which proposes a mutual and collective transformation, through regulating interaction and service provision (Laville and Nyssens, 2000). These links of solidarity and redistribution have been pointed out as the core of the social innovation stimulated by SSE organisations (Moulaert and Nussbaumer, 2005). However, according to Tonkiss and Passey (1999), some organisations are anchored in the values of trust and confidence. According to them, trust is linked with the central
values of these organisations and in relation to shared values and ethical relations not constrained by the context. However, alleviating organisations are governed by confidence relationships, which are secured by contracts or regulation and on the basis of rational expectations. Hence, solidarity, redistribution, trust and confidence become central to the analysis of voluntary organisations, in order to uncover whether marketisation might have affected voluntary organisations and diluted the differences between SSE and market sectors.

Furthermore, as discussed above, individuals are represented by neoclassical literature as rational; however, from this categorisation it is not possible to explain voluntary work. Hence, a more complex categorisation of rational actions is needed in order to understand why people do something for others. Dash (2014) relies on a Weberian typology of rational actions to provide a complementary understanding to the hegemonic discourse. Two types of rational action have been distinguished by Weber, namely, action based on economic and instrumental rationality and action based on value or substantive rationality. Neither of them is reducible to the other, and the latter is non-economically rational or economically non-rational. This broader theorisation allows us to uncover that rational behaviour includes instrumental rationality but also social motives and moral ends, which is central in a comprehensive analysis of volunteering. According to Brown and Zahrly (1989) volunteering is explained according to the rationality of three motivations: leisure, investment, and/or the perception of a subsequent outcome. These motivations do not imply a quest for a transformation of social reality. Conversely, McMillan (2004) highlights the significance of altruism and political motivation for volunteering in particular causes. The involvement of politics modifies social action into a motivation for social transformation. Dual function organisations provide an immediate aim, but also campaign for social or political transformation, accomplishing a transformative role in contrast to organisations that have a single function, linked with a palliative and immediate purpose. Therefore, the significance of the political dimension
reveals to what extent VOs have been diverted into a marketisation discourse or, on the contrary, they remain part of an alternative social space.

Having discussed the palliative and transformative poles, and how they are intertwined in reality, the analysis of the SSE presented here reveals it as essentially contested. This transformative—palliative tension is the lens I use in my fieldwork to focus my observation of the SSE. These two discourses are opposed forces and my intention is to explain where the SSE finds the balance between palliative and transformative. Moreover, by placing the focus on the whole economic frame of reference, I can uncover to what extent market principles are reframing the SSE. Organisations appear, adapt, resist, and die through the relationships they establish with the environment. Hence, my analysis exposes to what extent this ‘evolutionary’ path is compromising the SSE’s principles. In order to provide a comprehensive theorisation, further dimensions of the SSE are required, which are analysed in the next section.

### 3.5 Approximating an operational definition of the SSE

It is in the nature of the SSE to be multi-faceted and diverse; sadly, the way it has been defined in academic analysis has all too often followed the same pattern, i.e. an attempt to gloss over this complexity and to achieve an artificially uniform definition. In this section I seek to draw together multiple dimensions of SSE to produce an understanding of it that I can use to underpin my fieldwork and my own analysis without denying its complexity. It is built on the dichotomy of transformative and alleviating discourses, which is going to be applied in the analysis of different societies (Chapter 4) and organisations (Chapters 6, 7 and 8). Firstly, as I have argued previously, the SSE is not an agreed term, since the concept merges two counter-hegemonic economic traditions, with different world-views with diverse understandings of development (Utting, 2015). The social economy is defined by Coraggio (2010) as an economic sector that re-signifies
commodification and marketisation of labour, land and capital, in order to propose transformative economic actions in the pursuit of a different economic system. These actions are carried out collectively on the basis of mutual help and participation of citizens (Laville, 2011). The conceptualisation of the social economy was enlarged and strengthened in the light of the particularities of the sector in different places. In this sense, the concept of social and solidarity economy was coined highlighting the significance of people and their work in the economy (Razeto, 1981; Eme and Laville, 2004). As argued by Utting (2015), the SSE is an umbrella term that reflects the need for a system transformation taking into account redistributive justice, sustainability, and participatory democracy through economic actions that put social and environmental aims in first place and involve producers, workers, consumers and citizens through collective and solidarity actions.

The proposal of the SSE encompasses both an alternative economic theory and a counter-hegemonic programme for political action, and these two elements need to be present so the SSE can provoke a transformation of the society. According to Coraggio (2011), reproduction of life is utterly social, a reality that has been neglected by neoclassical theory, although uncovered by substantive economists. In the transition from a market economy to an economy with a market, Coraggio (2017) points out, the re-embedding of the economy in society and the role of ethical principles as economic regulators are instrumental. Furthermore, the embeddedness is multiple; the economy cannot exist apart from nature but neither can it be separated from culture or politics. Moreover, the greater importance of social and environmental issues is central in the reassertion of social control over the economy (Utting, 2015). Relying on solidarity, which according to Laville (2013) refers to a relationship of equals in a consensual democracy rather than philanthropy, it is possible to build up democratic and reciprocal social relations in order to counteract marketisation. Utting (2015) proposes an analysis of the role of the SSE based on three interrelated concepts: capacity, institutional
complementarities and participation. Capacity-building is a dimension that has been significantly weakened by neoliberal restructuring, in association with market articulation and finance, technology and management. It is also linked with institutional and social innovation, an ability to learn and adapt to changing circumstances; all these elements respond to the economic side of the SSE. Hence, the alternative economic proposal of the SSE integrates exchange and consumption with other social, economic and political goals, along with participation and empowerment, and these elements together allow the SSE to be an alternative to the hegemonic discourse.

Regarding the political side of the SSE, the plural approach of the economy - in which the market is only one component and reciprocity and redistribution cannot be excluded from the definition - challenges the orthodox economic view and also according to Amin (1999) the existing political structure. Additionally, according to Laville, SSE organisations are political at two levels: first, they reintegrate democracy into economic life (2013), and secondly they participate in the public debate providing responses to social problems in a novel manner that neither the state nor the market is able to achieve (2011). As part of the political dimension, Laville and Salamon (2014) propose that the efficiency of SSE organisations should be tested for their capacity to provide solutions to social issues. This is also central to the analysis of Amin et al. (2003) who understand participatory democracy in relation to active citizenship but also the distribution of power. Hence, the SSE provides a novel articulation of existing spaces that becomes relevant in finding spaces for change. These spaces protect the SSE against hegemonic turns that intend to ‘dilute its transformative agenda, such as corporate social responsibility and philanthropic solidarity and reveal the limits of state interventions that instrumentalise SSE for poverty reduction’ (Utting, 2015: 37). Hence, the strength of the political dimension of SSE organisations is what prevents them from becoming absorbed by the hegemonic rationality, and is a vital element of their transformative power.
Moreover, Utting (2015) has pointed out two other dimensions in the analysis of the role of SSE organisations: institutional complementarities and participation. The concept of institutional complementarities moves us from a micro to a macro level of analysis, and focuses on the links that SSE organisations establish with other institutions, such as the market, government, or the SSE itself. Moreover, complementarity is central to the field of collective action in achieving economic and political empowerment, as Utting suggests, ‘Actors who are empowered economically are likely to have greater capacities to enhance competencys, to network and to access markets on fairer terms, while the contestation, advocacy and claims-making associated with political empowerment is crucial for state provisioning’ (ibid, 2015: 34). Political power is built up through contestation, from where new practices and new democratic collective management can be tested, and becomes central in the construction of alternative institutional forms (Evans, 2008). Elsewhere I have argued that the key role of networks in ensuring the sustainability of organisations’ success, and a space to construct counter-hegemonic logics that challenge the usual understanding of businesses (Raffaelli, 2015). Finally, the third dimension suggested by Utting (2015) is participation understood politically, such as popular participation. Although the concept might have a range of interpretations, it refers broadly to active citizenship and a reconfiguration of power relations (Laville, 2015). This chimes with an alternative way to understand politics, whereas its absence is aligned with a palliative understanding of the SSE.

Separation of the social, economic and political elements in the neoliberal discourse has led to a narrow understanding of the potential this economic sector might bring to the whole society (McMurtry, 2004). It is linked with the association of the SSE with its palliative pole. Conversely, the conceptualisation of the SSE as a sector with two dimensions -the economic and socio-political- enables me to theorise SSE as an agent of social transformation, cultural resistance, and emancipatory alternatives. The SSE is driven by social justice values, inclined towards sustainable modes of production (Mellor,
1997), and empowers disadvantaged communities through democratic social relationships (Amin, 1999). Finally, it is made up of democratic organisations that build up counter-hegemonic identities (Laville and Salmon, 2014). Therefore, SSE is an element of social innovation as it proposes new forms of social relations and governance. Keeping the multiple dimensions of the SSE apart is a consequence of the acceptance of the neoliberal discourse, whose power is based on separating integrated spheres of human life.

The balance between the political and economic dimensions of the SSE allow me to explain to what extent it can be an element for social transformation. The SSE not only provides goods and services and novel social relationships, SSE actors also participate in the public debate and respond to social problems in an innovative manner, in a way neither the state nor the market are able to do. Moreover, SSE organisations are collective responses to social issues; therefore the public and political dimension should be reintegrated to the study of the SSE (Laville and Salmon, 2014). Although in the 19th century these responses were primarily reactions to industrialisation and market limitations, during the 20th century they were articulated within the public realm, in some cases appearing as solutions to the economic and social consequences of neoliberalism in an attempt to broaden democratisation (de Sousa Santos, 2012; Laville and Salmon, 2014). Moreover, the political dimension in the SSE is twofold: it refers to active citizens who, based on their positive freedom, are able to change their reality, but also serves as a model of the redistribution of power to interest organisations, authorities and civic associations (Laville, 2011; Amin et al., 2003). Therefore, if the purpose of the SSE is to deliver social change, both these two elements have to be present.

This conceptualisation of the SSE forms the focus of this research. The empirical analysis will explore to what extent the economic and socio-political dimensions were intertwined (Chapter 6), and to what extent the SSE discourse has been colonised by marketisation (Chapter 8). Additionally, the articulation with public policies becomes
central and relying on Coraggio (2015), the crux of the analysis of this articulation is the
signs of bureaucratisation and co-optation that can undermine SSE principles as well as
its autonomy (the link between the SSE and public policies is expanded in Chapter 4). In
addition, in order the SSE is able to deliver social change; it has to be autonomous from
the government and not has been co-opted by public policies. Empirical research on this
regard will be the focus of Chapter 7. Finally, social change needs to be supported by a
transformation of the theoretical understanding of economics, discussed in Section
3.3. The objective of identifying these contradictory discourses —palliative and
transformative— is to expose the power relations of which the SSE is part and to what
extent the SSE discourse has been colonised by neoliberalism. The degree of
colonisation will reflect the potentiality the SSE has to effect social change. The SSE is
part of a power struggle in which market and state imperatives often compromise their
ideals. Therefore, from an SSE point of view, it is important to acknowledge them in
order to develop strategies to protect SSE against isomorphic tendencies. Cornforth
(1995; 2014) explains how difficult it is to maintain counter-hegemonic narratives against
the force of the hegemonic discourse. Over time, some co-operatives might end up
governed by dominant elites who make the decisions, rather than sustaining the
democratic decision-making that characterises co-ops. However, as Cornforth (1995)
has shown, although there are forces towards degeneration, regeneration can occur and
other new democratic forms of management can be sustained over time. Moreover,
organisations with a profit-making motivation alongside social aims can also experience
a mission drift that can lead them to unstable terrain. Hence, the role of governance
mechanisms and a guiding ideology became instrumental in preventing SSE
organisations from being vulnerable to the market, state and cultural pressures that
could make them lose connection with their values. Conversely, in the cases where a
binding ideology is lacking, organisations are transformed according to the hegemonic
discourse.
In order to understand the SSE in all its complexity, this section has outlined a holistic definition based on the two discourses identified in reality. Contrary to the fixed context and lack of realism that essentialist definitions propose, holistic ones take history, power relations, and development into account. Therefore, understanding the SSE as a reflection of local history puts emphasis on the powerful alternative side rather than considering it as a reaction to the hegemonic economic order (McMurtry, 2004). Moreover, this holistic definition takes into consideration the differences that might exist between SSE in Argentina and the UK, without being criticised for the lack of representativeness or diminishing its explanatory power. Furthermore, this allows me to question mainstream explanations in terms of the dichotomy between radical economic alternatives to capitalism or a palliative support for the status quo. As the historical features of a country shape SSE differently, I am not proposing to follow a fixed definition that can be used universally. Rather, the analysis of the SSE in each country will be embedded in its unique history and culture.

3.6 Conclusion
In this chapter I have critically analysed the different conceptualisations of the economy and the SSE. My discussion exposes how, according to their position with respect to neoliberalism, there are two opposite understandings of the SSE, which gloss over the tensions that exist within the definition and within the sector, which I am defining as transformative or palliative. For the purposes of this thesis, I take another route by exposing and dissecting these tensions. I explored the multifarious forms ‘humanising the economy’ can take, in Restakis’s phrase (Restakis, 2010). Thus, in this chapter I have presented a deconstruction of the hegemonic economic discourse and exposed its discursive nature. This idea came to be dominant and there are two opposite ways to respond to that, which were scrutinised in this chapter. Within this ideology, there is an understanding of the SSE as accepting the dominance of neoliberalism and its
irresistible force. This is the rationality behind the ideas of the third sector and the non-profit sector. They both denigrate the SSE as a third option and a consequence of market and state failures. Furthermore, the SSE has been designated as a bridging sector that has the duty of reinserting the excluded back into mainstream economy, and making people’s lives better within the hegemonic order. However, an opposing economic rationality was identified, which proposed a re-embedding of economy into society. From this economic understanding, a counter practice of the SSE emerged, which challenges the neoliberal understanding of the SSE. These economic forms not based on the market have been deliberately marginalised in the neoliberal regime, as they are opposed to it. They understand that another economy is possible, which is an economy embedded in society, based on alternative social relations. Nonetheless, real experiences in the field of the SSE combine these opposed discourses, making relevant the analysis of the acceptance or rejection of the neoliberal discourse.

As presented, the SSE is a field of conflict and tension in a variety of forms, which I have outlined throughout the chapter. On the one hand, there are organisations that work within the system based on their own values of care; they base this choice on an understanding of the economic system as immutable. On the other, there are organisations determined to challenge that status quo. This is the fundamental tension of the SSE and theory reflects it, as demonstrated by the fundamental contestation observable in the literature. In my fieldwork I explore this dichotomy in two different contexts. But first we need to understand the way that governments have seen in the palliative understanding of the SSE an opportunity to reduce their budgets and abdicate their responsibility for the services of care. This forms the subject of the following chapter.
CHAPTER 4

THE SOCIAL AND SOLIDARITY ECONOMY AND PUBLIC POLICIES

4.1 Introduction
As discussed earlier, the economic order has shown its inherent limitations in providing basic livelihood and well-being (Langley and Mellor, 2002; Barry, 2009; McMurtry, 2012; Dash, 2014; North and Scott Cato, 2017), which has raised concerns in governments about those who lose out as a result of the increasing market economy. Drawing on the outline of the hegemonic neoliberal discourse provided in the last chapter, in this chapter I explore government policies developed to cope with its consequences. In particular, and based upon the two opposite theorisations about the SSE as palliative and transformative, I analyse the historic evolution of the SSE in Argentina and the UK and assess which of these two approaches has been followed in the development of public policies in the two countries. Both palliative and transformative organisations of the SSE have sought through different means to ameliorate or eradicate, respectively, the adverse consequences of the marketisation of the economy. Over the past several decades the number and range of organisations that make up the SSE has expanded considerably. Governments have shown an increasing interest in this sector, although for
different reasons, and have defined it in many different ways (UN, 2006; Carmel and Harlock, 2008; Ryan, 2014). As discussed in Chapter 3, definitions are ideological: they create and simultaneously define the reality that constitutes the field of interest, in this case SSE. I argue following Kendall (2005) that the shift of SSE from the margin to the mainstream implied a discursive re-signification of it, reducing its political standing and presenting it as a single unified sector. Within this structural framework it is important to explore whether the SSE has been absorbed within the state’s scope, based on the idea of best practices and accepting the role that government has allocated to it, or whether public funding and political support empowered the sector and its own values.

The field of SSE studies presents disagreements and tensions as revealed in the previous chapter, and so do the policies that have focused on the SSE. In particular, this chapter analyses how policy attention has been focused on the SSE’s potential to cope with economic problems and how SSE strategies have been framed. Specifically, I scrutinise the last 15 years, and two specific sets of policies: the Big Society in the UK and Kirchner-era policies in Argentina. This selection reflects the fact that the two policy agendas were adopted at similar times to tackle the negative consequences of the increasing market economy; they appeared as solutions to an economic crisis. However, there are differences between them, which will be discussed in the following sections, taking the particularities of the sector in each country into account. I explore to what extent a radical alternative to capitalism has been absorbed by the neoliberal paradigm through the enactment of these policies.

Thus, in the following sections I scrutinise the articulation between the evolution of the SSE and public policies, with historical processes as a general background. However, before analysing the policies it is necessary to clarify the type of state model that is in place in each country. Moreover, the inherent tension that exists in the concept of SSE is also present in the public policies that have taken the SSE as their focus. Once these issues have been explored theoretically, the global evolution of the SSE is exposed, with
a particular focus on the United Kingdom and Argentina. This discussion is structured according to the three phases of the development of capitalism — heyday, the golden age or welfare era and the neoliberal turn — elaborated out in Chapter 2.

4.2 Models of State and Welfare

As discussed in Chapter 3, the concept of SSE is a field of disagreements; it embraces different types of organisations, which are shaped by cultural, social, economic, and political context. Moreover, new organisations have appeared recently which, despite understanding the economic order in a different way, have been conceptualised under the SSE label. This has given use to the two poles I defined and illustrated in Section 3.4. However, despite these differences, comprehensive attempts to conceptualise the SSE have been made. Based on the welfare regimes identified by Esping-Andersen (1990), Salamon et al. (2000) constructed four models of the SSE sector as part of the Johns Hopkins Comparative Non-profit Sector Project. Although it was developed within the NPS approach as the name of the project clearly states, this typology becomes relevant to this research because it analyses the relationship between civic associations and the state, taking the models of welfare as a starting point, from which I am able to discuss further the articulation of public policies and the SSE in Argentina and the UK. In this sense, as North and Scott Cato (2017) point out, Salamon’s et al. (2000) model represent the reliance on civil society and self-help when in difficulty, and the relative significance given to philanthropy or individual private insurance, or the state providing these services. The models are built up on the base of two variables: the strength and vibrancy of civil society and the level of welfare spending.

Four ideal types of welfare regimes were identified by Salamon et al. (1997; 2000) in what was called the social origins theory: liberal, social democratic, statist and corporatist. The liberal model is found in Anglo-Saxon cultures and is ‘characterised by
limited, means-tested social assistance with strict entitlement rules' (Salamon et al., 2000: 17) with low social spending and a large third sector. This is basically market-biased; it fosters market-oriented organisations of the SSE which rely on the generation of revenues to survive. According to Laville et al. ‘public service delivery is limited, and services are for the most part the responsibility of women and remain in the private sector’ (1999:128). The social-democratic model is found in the Nordic countries and ‘involves universalism and a separation of welfare provision from the market system’ (Salamon et al., 2000: 17) and widespread state services provision with a correspondingly small third sector. The SSE is constrained as ‘there is a strong impetus to create services and take over tasks by the public authorities that were formerly performed by the private sector’ (Laville et al., 1999:128). The corporatist model is found in some European countries (Netherlands, France, and Germany) and is characterised by a large state support to a dependant large SSE sector through which policies are delivered. ‘Services are not exchanged for a price to cover most of the production costs, because the State provides a considerable portion of the funding’ (Laville et al., 1999:128). Therefore, redistribution is at the centre of the provision of welfare. This model gave rise to a large range and number of organisations, linked with Catholic bodies, political parties, or other civil organisations such as the Red Cross, allied themselves with corporate bodies and federations and created a non-market isomorphism of the SSE. Finally, the statist model is characterised by a bureaucratic state that represents elite interests in combination with a low engagement in SSE activity. In some countries, such as Spain and Italy among others, the state supplies welfare assistance along with other actors such as religious institutions. ‘This system emphasises monetary transfers, neglects services, and provides social insurance for those who have successfully integrated into the labour market at the expense of groups who do not have employment security, have little hope and who are trapped in the underground or informal economy’ (Laville et al., 1999:128). This is also the case in many Latin American countries. These four models can be summarised in table 4:
Table 4 - Models of welfare spending and SSE sector scale

<table>
<thead>
<tr>
<th>State Welfare spending</th>
<th>SSE Sector scale</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Small</td>
</tr>
<tr>
<td>Low</td>
<td>Statist</td>
</tr>
<tr>
<td>High</td>
<td>Social-Democratic</td>
</tr>
</tbody>
</table>

Source: North and Scott Cato (2017)

The social origins theory relates the emergence and structure of SSE to the history of the country, which provides an interesting insight into the local understanding of the phenomenon. So, for the purpose of this research, this theory provides a characterisation of the two national settings without reducing one to the other, and taking into consideration each historical process. Following the conclusions drawn by North and Scott Cato (2017) it is possible to identify the welfare models of Argentina and the UK.

The British model of welfare has changed significantly in the last century, according to the authors. It can be conceptualised as social democratic during The Golden Age, when provision of welfare was significantly covered by the state. It then shifted into a liberal model in The Neoliberal Turn and under the Thatcher governments; and then again developed into a corporatist model during New Labour government, as civil society organisations were funded to deliver welfare (North, 2000). Finally, a new transformation towards the liberal model occurred with the Big Society recently, when public spending decreased, relying on the idea that society should provide these services through community action and SSE organisations ought to seek resources in the market (North, 2011). In Section 4.5 I will analyse whether these turns responded to rhetoric or constituted a real transformation.

By contrast, the Argentinian welfare model has elements of both the corporatist and the statist models. During the heyday of Capitalism, the welfare model was corporatist as, due to a weak state, welfare was provided mainly through the Catholic Church,
immigrant associations and political party organisations. It then shifted towards a statist model under the Perón governments. However, the Catholic Church still remained an important actor in this arena during the Golden Age. Then, when the neoliberal turn occurred, although government spending on welfare was minimal, a new interest in civil-society organisations appeared and some governments have lent them their support. However, as Coraggio (2010) suggests, it was not so much a public policy, more an electoral strategy. Nonetheless, the continent did witness the appearance of a civic movement aimed at a deep democratisation and humanisation of life and economy under the premise ‘another world is possible’ (de Sousa Santos, 2012), the Leitmotiv of the World Social Forum in 2001. These three phases will be analysed in Section 4.6. Having discussed the broad models of welfare, the discussion will now focus on the articulation between public policies and the SSE.

### 4.3 The SSE and public policies

Governments have strengthened their relationships with the SSE in recent years. The general consensus about the collapse of the welfare state model (Section 2.3) led governments to find new strategies for the provision of welfare. In this task, civil society was identified as a sector that might offer solutions (Kurimoto, 2005), and particularly the SSE due to its presence in three key sectors: welfare services, work integration and local development (Spear, 2005). Thus, in this context, the importance of SSE grassroots in the regeneration of social ties was largely supported by governments (Aiken, 2006), particularly in tackling structural unemployment and exclusion in a context of austerity policies (Nyssen, 2006). Moreover, the re-discovery by governments of the SSE as a welfare provider immediately showed that these organisations could work as substitutes for state institutions. This was identified as a more direct option due to their local articulation, interpreting directly the needs of the communities and reducing the enormous state apparatus, bureaucracy and intermediaries (Murray, 2013; Smith, 2010).
As a consequence of the support lent by governments and local people’s involvement, the number of SSE organisations has increased in recent decades (Borzaga and Loss, 2006).

However, not all scholars share this point of view; critical authors argue that the partnership with the government does not constitute the SSE as an alternative economy, but rather it presents it as a solution within the capitalist paradigm. Within this strand Pearce (2005) among other critical scholars, has highlighted the political use that governments have made of SSE in delivering government policies and contracting out welfare services. Moreover, the justification of local SSE experiences presented above has also been criticised, as it reinforced the spatial segregation of the marginalisation process that neoliberalism unleashed (Amin et al., 2003). Presenting SSE organisations as local by definition is a misunderstanding, a simplification of their role and a ‘best practice’ of what is expected of this type of organisation. From an endogenous point of view, ‘local’ refers to community-owned organisations (Laville, 1996), local people doing local work (Pearce, 2005). This misunderstanding of the concept of local has led critical authors to state that the inclusion of SSE under the state’s scope resulted in a reduction of government responsibility by the stimulation of a market for social welfare (Amin, 2009), rather than a genuine shift towards more egalitarian societies (North, 2011). The discourse of government and SSE partnership has undermined the potential of the SSE as an alternative system and confined it to the role of ameliorating the worst effects of neoliberal policies.

The concept of SSE was not stable across countries nor was its articulation in public policies. In Latin America, a range of forms categorised under the label of SSE have appeared in recent years. The numerical increase of organisations was accompanied by government support right across the region (Coraggio, 2011; Giovannini and Vieta, in press), and the range of forms in which the SSE has been included in public policies illustrates the differences in the understanding of the sector. The case of Brazil was
understood as a co-construction of policies linked with the SSE, whereas in Argentina it responded to the populist model of the state, and in Ecuador the SSE system was organised under the premise of *Buen Vivir* (living well) (Coraggio, 2015). However, government support has raised suspicion among scholars. Some scholars have voiced their concerns about these policies, condemning them as a strategy for the institutionalisation of collective action (Dinerstein, 2007) and limiting autonomy and independence (Ruggeri and Vieta, 2015). Hence, relying on Coraggio’s ideas (2015), the crux of the analysis of the articulation of the SSE and public policy is the identification of signs of bureaucratisation and co-optation that can undermine SSE principles as well as its autonomy.

In the European context, where welfare states are more developed, governments’ approaches have been different. The reduction in public spending on welfare — especially after the 1990s— led to the development of social entrepreneurship (Steyaert and Katz, 2004; Hulgärd and Spear, 2006) and the expansion of the SSE in the provision of public services, as argued by Amin et al. (2003). As part of this backdrop, social enterprises were presented as a solution to the social and economic limitations of neoliberalism, and at the same time as reproducers of the neoliberal status quo (Nicholls and Teasdale, 2017). This change in the links and organisations of the SSE led to a modification of the European definition of the sector that expanded to include non-profit associations, foundations and social enterprises in addition to co-operatives, mutuals and associations (OECD, 2013). However, the transformation of the SSE was not only quantitative but also qualitative, and many scholars have pointed out that the policies that had the SSE as a focus ultimately sought to privatise public responsibility for welfare (Smith, 2010; North, 2011; Levitas, 2012; Ryan, 2014).

As discussed in Section 3.2, neoliberal discourse has introduced a different form of regulation of the self and others, and created space for a new form of state and policy programmes, which altogether respond to a broader ideological hegemonic project.
Hence, the inclusion of non-public institutions in the delivery of public services responds to this governmentality, allowing the market to control the performance of the public sector (Olssen and Peters, 2005). Moreover, this makes evident that the apparatus of government is not only made up by the public sphere (government, public policies) but is also composed of its connections with the private sector and civil society (media, education, charities, social enterprises) (Bieler and Morton 2004; Rose and Miller, 2010). This suggests that understanding the state as a unity is a misleading, which chimes with the poststructuralist approach that will be discussed in Section 5.2. Moreover, ‘discourses do not have the same effects in any given location’ which lead us to recognise different layers in policy and programme implementation (Springer, 2012; 141). Therefore, although the two policies analysed in this research had national scope, local governments were in charge of putting them into place and, therefore, this particular analysis is focused on their local implementations in London and Buenos Aires City.

Understanding the state as a mythical abstraction (Rose and Miller, 2010) takes us to find other ways to gain access to its structure, and Nicholls and Teasdale’s (2017) work on policy paradigms becomes vital in accomplishing this task. They consider policies as part of nested paradigms, which include macro-, meso-, and micro levels with strong consistency among them. The macro-level is the most abstract, corresponding to an overarching political-economic neoliberal discourse, from which all the other levels are derived as a cascade. The meso-paradigm responds to the models of state provision of public goods, which was already discussed in Section 4.2 extensively. Finally, the micro-paradigm is the realm of public policies, which given their distance with cognitive ideas, the number of people involved in their application and particular localities, contain in greater extent diverse interpretations (Nicholls and Teasdale, 2017). This classification allows us to locate the discussion of the partnership between governments and the SSE as part of the ‘problems of government’ (Rose and Miller, 2010), which compound the
micro- and meso-levels, and provide a clear differentiation between ideational frameworks (macro-paradigms) and policies (micro-paradigms) (Nicholls and Teasdale, 2017). Thus, whereas the idea of the macro-level paradigm is consistent with the concept of hegemonic economic discourse I suggested in Section 3.2, meso- and micro-levels are analysed in this chapter as a consequence of the public policies focused on the SSE in recent years. I do not aim to provide a comprehensive policy analysis; rather, I explore the continuity or change in the policies with respect to the SSE over the last 20 years in Argentina and the UK.

4.4 Global account

Using Chapter 2 as historical background, this section particularly focuses on the global development of SSE. This is not intended to be a thorough exposition of the SSE; rather, the objective is to introduce a fairly broad presentation of the global trends, which will serve to sketch the main features of the SSE in Argentina and the UK in subsequent sections. For this analysis I return to the three historical stages introduced in Chapter 2: the heyday of capitalism (1850-1930), the golden age (1930-1980) and the neoliberal turn (1980-2010), as illustrated in Table 5.

Table 5 - Historical stages and stages of SSE

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Heyday of capitalism (1850-1930)
As pointed out by Laville (2015), democratic revolutions in the 18th century, with the French as their main exponent, had put forward the ideas of equality and social interdependence. In this environment friendly societies, co-operatives and mutual aid associations mushroomed (Defourny and Develtre, 1999), reaching their peak as a consequence of the social upheavals of the Industrial Revolution during the 19th century. They developed an integrating force not based on inherited relations, but deliberatively created to face social difficulties. All these organisations had a theoretical impulse, from thinkers such as Owen, Prudhon, Fourier and Saint-Simon, and a practical impulse from supporters of workers’ associations like Walras and Mill. While workers’ associations fought for their survival and subsequently for their political and economic emancipation (Evers and Laville, 2004), associations based on religious belief were also in operation, mainly providing welfare (Moulaert and Ailenei, 2005).

Bouchard et al. (2000) and Pérez de Mendiguren et al. (2009) recognise two waves of SSE generation in the 19th and the beginning of the 20th century. The first one was to tackle the new insecurities of the Industrial Revolution. Throughout this period, associations worked as a collective way to satisfy basic needs, as a first line of defence collectively articulated. Relying on Laville’s (2015) theorisation of solidarity, it was expressed collectively in associations on the basis of exclusion, exposing the incompatibility between political equality (mainly in Europe) and economic disparities. Hence, political claims were at the core of the SSE, showing their mutual overlap. Laville (2015) points out that in this era, the idea of the SSE as a moral economy was constructed on the basis of common goods, reciprocal obligations and shared rights.

The second era identified by Bouchard et al. (2000) and Pérez de Mendiguren et al. (2009) was in a context of economic stability in which workers improved their standard of living. Laville (2015) argues a shift in the concept of solidarity: equality turned into benevolence and charity, giving way to philanthropic solidarity. Rather than the SSE being a moral economy, the idea of an ethical society was built, in which citizens
motivated by altruism should take care of the worst off on a voluntary basis (Laville, 2015); the driving force of moralising the poor. Hence, the democratised spirit of mutual societies and workers’ self-help organisations was replaced by a fight against poverty, and collective solidarity mutated into a private concern and an individual responsibility. It was during this second stage that charities and philanthropic associations mushroomed. Thus, the tension I have identified in Chapter 3 regarding the dichotomy in the role of the SSE has been present since its origin. On the one hand it aimed to democratise society on the basis of collective solidarity, and conversely, relying on philanthropic solidarity became an instrument to reduce poverty and moralise the poor.

The golden age (1930-1980)

The stability built up by the welfare state after the Great Depression of the 1930s and the two world wars extended social security and protection. Within this new era, the state was responsible for limiting the market and correcting its inequalities, finding the balance between market economy, citizenship and workers’ rights. As discussed in Chapter 2, this period was the golden age for workers, who could rely on extensive welfare states and was associated with unprecedented stability of economic development. The idea of society as a whole was central at that time, and this consequently changed the solidarity approach based on the individual, to one centred on the public dimension of solidarity and focused on universal rights (Laville, 2015). In particular, the SSE expanded and filled the gaps in the system ‘but served a more palliative than transformative function’ (Utting, 2015: 12).

The alliance between the market and the state reduced the need for the SSE, which consequently declined in size and significance. The most popular hypothesis suggests that services once provided by the SSE became included under the aegis of the state, and therefore, there was no need or space for them (Anheier, 2004; Moulaert and Ailenei, 2005). However, this might seem to be more a description than an explanation of
the phenomenon. The underplaying of SSE organisations might have been a consequence of the social and economic security that both the welfare state and Fordism created, which led to a decreasing need for radical demands. However, although some of the organisations were included under the state scope, this did not mean a decrease in civic participation and philanthropy, and in some cases, the state worked in collaboration with voluntary and welfare services (Hilton et al., 2010). This might suggest that philanthropic solidarity survived better during the welfare era, whereas collective solidarity was downplayed by the articulation of the market and the state.

The neoliberal turn (1980-2010)

When the welfare state era finished, it consequently led to both public and private institutions being challenged by the power of capital, under the justification that they did not respond to the demands of the modern world. However, welfare state collapse made the SSE re-emerged like a phoenix, reacting against neoliberal ideology and individualism (Moulaert and Ailenei, 2005), favoured by the social articulation maintained during the post-war era. The expansion of social movements with multiple demands, such as feminist or ecological groups was seen by dominant elites as an expression of social disorder, as they were putting forward a strong version of solidarity and the idea that ‘another world is possible’ (Laville and Salmon, 2014). Among these groups were SSE organisations, drawing on the idea of a diverse economy discussed in Section 3.3 and economic action in the transformation of society. In addition, the hegemony of liberal ideas provoked a re-signification of right-wing and left-wing. As Giddens argued (1998), there was a sore need to find a ‘third way’ in politics that could revive social democratic values, although I would argue that this was ideological and ultimately misguided. This

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4 ‘Fordism is the term that describes the model of capitalist accumulation and regulation from the mid-1950s to the late 1970s. In its heartland in North America and parts of Europe, during its golden age, it provided full employment, consumer and welfare security, and a social pact around national mass political institutions and universalist beliefs’. (Amin et al. 2003: 2).
coincided with the IMF and World Bank nostrums of ‘good governance’ (Laville and Salmon, 2014), linked to structural adjustment policies and a reduction in the role of the state.

As part of this new political framework, the SSE appeared as an option for delivering public services. The partnership between the SSE and government encouraged social businesses to adopt the SSE discourse and combine it with neoliberal governance (Laville, 2011). Although there are contradictory studies regarding the numerical increase of the SSE (Anheier, 2004; Teasdale et al., 2013), its significance was qualitative, as the SSE partly took charge of social security. In this sense, the new approach of the SSE in its palliative form was presented ideologically as a justification for the withdrawal of the state and a reallocation of responsibility from the state to civil society, proclaiming this new responsibility as a form of active citizenship (Smith, 2010; Levitas, 2012). Therefore, the two forms of solidarity recognised in the historical account, namely, collective and philanthropic, were present in the global neoliberalisation process (Laville, 2015). This coexistence represents a risk that one becomes absorbed by the other. As a consequence, the SSE is in a weaker position, which results in its being absorbed by the state and market and a dilution of its transformative element. After this discussion of the historical account of the SSE globally, I now turn to an analysis of the sector in the two countries that concern this study.

4.5 SSE in the UK

Heyday of capitalism (1850-1930)

The tradition of charitable organisations and mutual societies has an extremely long history in the UK. Indeed, a Charity Commission was established in 1601 to guarantee the provision of services from either the state or citizens’ organisations (Kendall, 2005). Charities relied on the idea that wealthier people would voluntarily undertake civic
responsibilities to help those who are in a disadvantaged situation to become integrated into society. This premise was well developed during the 19th century as on average adults belonged to six voluntary organisations (Lewis, 1999), demonstrating a high level of citizen involvement. Additionally, more than 5 million people were members of friendly societies and unions accounted for more than a million members at that time (Thane, 1984). Moreover, co-operatives were also recognised as a means of achieving good living standards, and not relying on the state (North and Scott Cato, 2017). Robert Owen was a pioneer in this area, which is reflected in the literature (Tsuzuki et al., 2005; Scott Cato and Bickle, 2008). The resemblance between the present time and the Industrial Revolution has led some scholars to revitalise his ideas and propose a comparison (Fensom, 2008). Owen realised the potential of mechanisation provoked by the Industrial Revolution, but also its drawbacks, of which the lack of motivation on the part of workers was the foremost. Therefore, he understood workers’ interest should be central for company owners. To achieve this, he instituted a three-fold managerial practice in his own enterprise: he recognised his workers as stakeholders; he invested in the welfare of workers, their families, and the community; and he believed in self-sufficient communities surrounded by natural resources, in contrast to the alienation of industrial cities (Scott Cato et al., 2006b).

During this time, consumer co-operatives based on the Rochdale principles mushroomed, whereas workers’ co-ops did not expand to the same degree. Moreover, whereas Owen centred his project on worker co-operatives, Beatrice Webb aimed to build up a powerful federation that could challenge capitalism, but mainly relying on consumer co-ops. As Fensom (2014) suggests, Webb’s mistake was to understand the cooperative movement as a political tool rather than an element of social transformation that seeks to provide solutions to people’s problems. Rather than co-operativism relying on socialism, it is closer to libertarian and anarchist thinking, so embracing the idea of people solving their problems for themselves. In contrast to Webbs' model of
organisations, the Guild Socialists made a claim for workers’ control of production through guilds, democratic industrial management, and providing welfare services (Cole, 1920). These two represented the contradictory doctrines of socialism in the UK, as discussed in Section 2.2. Despite these ideological differences, co-operative and mutual enterprise forms and duties covered retail through consumer co-ops, social insurance through Friendly Societies, housing provision through Building Societies, and labour representation through unions (Yeo, 2002). Thus, participation in voluntary organisations, charities and co-ops was widely extended in the country.

The individual provision of services implied in some cases a compact among many social groups even from different social backgrounds. As discussed in Chapter 2 with regard to workers’ organisations such as the Fabian Society or Guild Socialism, the alliance between the working class and middle class was essential for the success of grassroots organisations (Thane, 1984), particularly in relation to education, leisure and social support, as in the example of the support of Christian Socialism for the co-operative movement as argued by Levitas (2012). However, they had different motivations (Yeo, 1976), as the working class tended to be involved in voluntary organisations, whereas the middle class engaged in philanthropic ones. This distinction corresponds to the dichotomy of the SSE pointed out in the previous section. Moreover, the compulsory social welfare provided by the state from 1911 onwards eroded the basis of mutual and friendly societies. Nonetheless, to some extent, these organisations were seen as an extension or a partner of the state, as an intermediary between state institutions and citizens (Lewis, 1999). Therefore, the understanding of voluntary organisations and the role that citizens should take in them illustrates a particularity of the British case, along with the partnership between the SSE and state institutions from the beginning of the 20th century.

The golden age (1930-1980)
The articulation between voluntary organisations and state institutions resulted in a complementarity during the first decades of the 20th century; indeed, according to Lewis (1999) the welfare state was built upon this tight cooperation. During the welfare regime, the state had the role of a direct supplier, and funded and regulated other institutions that provided welfare activities (Gladstone, 1999). As a consequence of this model, the British welfare state was known as a mixed economy of welfare, since it was not solely provided by the state, and the model of partnership lasted throughout the welfare era. As Lewis (1999) points out, this relationship was seen as positive and translated into a more active role for the state from the end of WW2 until the mid-1970s, known as state intervention in the provision of social services. Moreover, as discussed in Chapter 2, this was the time when the residual welfare state was transformed to become institutional, based on the idea that public expenditure should look after disadvantaged citizens. In sum, the dominance of Keynesian theory resulted in the provision of welfare being directly or indirectly almost entirely covered by the state; for this reason, the British model can be conceptualised as social democratic during this time.

Although this might support the hypothesis that the welfare state did not significantly diminish the role of the SSE and the individual’s involvement in it (Hilton et al., 2010), other authors argue that during the welfare era SSE was reduced to a minimum. Kendall is emphatic on this point: ‘The central state’s takeover of responsibility for income maintenance in the post-War settlement clearly undermined (in contrast to other European countries) the social insurance role of mutual societies and downgraded the significance of charities’ grant making and provision of social welfare services’ (2005: 9). Additionally, Whiteside (cited in Gladstone, 1999) highlights that during the era of state control and the two World Wars, the independence of societies was diminished: ‘Constant cuts and rising liabilities took their toll on small, local societies—some of which collapsed under the strain’, while the effects of the prolonged inter-war depression
‘undermined the principles of social insurance’ (ibid 31). In the same line, North and Scott Cato (2017) suggest this model led to a reduction of interest in co-operatives.

**The neoliberal turn (1980-2010)**

Since the 1970s, social welfare regimes have been undermined across European societies, as outlined in Section 2.4. Although this turn was presented as a consequence of such regimes’ own limitations, this chimed with the political underpinnings of the neoliberal ideology that I outlined in Section 3.2. Relying on IMF best practices and encouraged by think tanks and the media, individualism and free market ideas transformed welfare provision (Nicholls and Teasdale, 2017). As Ryan portrays it, this was an ‘ideological drive to centralise power in a small, privileged elite, demonise and dismantle the public sector and trade unions, sanctify austerity and deregulate indiscriminately: all with the objective of maximising profit- making opportunities for their private sector backers’ (2014: 3). Linking back to the models of welfare, a shift occurred from the social democratic to the liberal model of welfare during the Thatcher era. Her governments began the outsourcing of public services and put forward the idea that the state should do less and families and the voluntary sector should take over these roles (Lewis, 1999), reinforcing the idea that citizens were responsible for building their own society (Levitas, 2012). The underlying idea was that the economy was made up of two sectors, private and public, linked with the hegemonic idea of the economy (Section 3.2). Additionally, as Carmel and Harlock (2008) argue, welfare provision was transformed into a competitive contracting policy, creating as a result a market for social welfare.

At the same time as government was reducing its commitments to provision of support through the welfare state there was an increase in job insecurity and unemployment. Where the politically active perceived this as a diminution of social justice and inspired by activism and events elsewhere, such as occupations in France (as part of the revolts in 1968), and factory occupations in the UK (for example the Liverpool docks) (Tuckman, 2012) - ideas began to form of alternative forms of organisation and ownership. In
particular the effective possibility of these types of alternative organisations was perceived to be rooted in the strength unions gained as a consequence of full employment during the welfare state era (Tuckman, 2011). Further examples of the spread of these ideas are typified in the occupations of the Upper Clyde Shipbuilders in Glasgow in 1971, Bredbury Steelworks in Manchester in 1972, and Imperial Typewriter factories in Hull and Leicester in 1975.

Tuckman (2012) argues that, 1974 and 1975 was the heyday of takeovers, and he identifies the key role played by local governments working with these sites of resistance in order to counteract the rising neoliberal hegemony. This heyday was to be short-lived however and the ideal of solidarity and the role of the union supporting emerging sites of resistance was effectively broken with the defeat of miners' strike in 1984-5. The carefully orchestrated defeat of that strike by the Conservative government signals the triumph of the neo-liberal ideal over the putative idea of workers' control (Smith et al., 2011). This defeat deeply undermined organised and militant unionism and diminished the workers’ ability to resist marketisation; it ‘swallowed not just the capacity to resist but also any alternative rationale’ (Tuckman, 2012: 23).

Nonetheless, the 1990s saw some further instances of resistance to Thatcher government's policy of austerity. The Government faced with increasing inflation, drew heavily on a strict market rationale and orthodox economic policies as a solution to bring it down (see Section 2.4). As part of this, mines that were ‘too expensive to run' were closed, becoming a major problem in industrial development areas. In contrast to neoliberal wisdom, workers at the Tower Colliery in the South Wales Valleys decided in 1992 to buyout the pit in order to preserve their jobs and incomes (Smith et al., 2011). Although these types of resisting experiences did not succeed in a larger scale, they functioned in a double way, as Smith et al. (2012) argue. Politically, they challenge the existing domination, and culturally, they worked as incubators for reflexive action regarding the economic system and its alternatives. Thus, despite they are not
numerically significant, they were pivotal in the construction of a range of collective actions that might contend the dominant hegemony. Coupled with this during 1989 and 1990 the introduction of the flat-rate community tax provoked civil unrest which has been interpreted as a wider national demonstration to reject austerity (Stott and Drury, 2000). In effect, anti-inflationary policies provoked social discontent that seriously undermined the Conservative government in many sectors of society (Bonefeld and Burnham, 1998).

The New Labour government (1997-2010) sought to re-balance welfare provision but with minimal public interference, highlighting the role of the SSE in what had been a state monopoly 30 years previously (Nicholls and Teasdale, 2017). The model of welfare changed again to a corporatist one, in which the SSE sector was expected to deliver welfare via public funding, bringing it into a dependant position (North, 2000; Carmel and Harlock, 2008). Although the corporatist model is linked to religion, during the New Labour government SSE organisations increasingly came to act like corporate bodies. Instead of having a tripartite structure between the state, market and SSE, they became isomorphic or hybrid (Nicholls and Teasdale, 2017). Broadly speaking, the Blair government proposed a third way in politics as a solution to the ideological differences between right and left (Haugh and Kitson, 2007). The third way option relied on the strong British civic culture and encouraged many forms of citizen participation. ‘Strong communities depend on shared values and a recognition of the rights and duties of citizenship’ said Tony Blair (1997) regarding the role of citizens in civil society (cited in Amin, 2003:24). Moreover, government discourse suggested that SSE organisations involved in public services provision should professionalise, becoming business-minded and entrepreneurial (Dey and Teasdale, 2016).

However, critical scholars have argued that through public policies, citizens were forced to accept their new responsibility to participate in the economy and the civil sector: ‘mainstream economy is the main path out of exclusion. (...) For the socially excluded, the social economy is offered as the alternative source of work’ (Amin, 2003: 24). It was
argued that SSE organisations were co-opted by the government as lower-cost welfare services providers, establishing a partnership rolled-out by neoliberalism along with a government transfer of risk and responsibility regarding welfare to communities (Peck and Tickell, 2002; Williams et al., 2012; Dey and Teasdale, 2016). Hence, the SSE was discursively presented as a sector of the mainstream economy that could help in dealing with public deficit. Nonetheless, as a consequence of the neoliberal failure to provide solutions to economic crisis, unemployment, and job insecurity, failure was passed onto the social sector via welfare cuts, and then those who needed social services were blamed for having unmet needs.

In order to achieve the transfer of welfare responsibilities, many policies were launched and the SSE, under the label of the ‘third sector’, was established as an option for achieving socio-economic development (Alcock et al., 2012). This is the process Kendall (2010) described as ‘hyperactive mainstreaming of the SSE’, which established the discourse of partnership widely recognised in the literature (Kendall, 2009; Harris, 2010). However, this meant a repositioning of the SSE in government terms, and as part of this discursive shift, social enterprises appeared. They enacted market-based strategies to address social problems, which responded to the neoliberal policy agenda favouring the marketisation of civil society (Nicholls and Teasdale, 2017). In terms of the theorisation of the SSE provided in Chapter 3, they included a range of organisations that did not share the same values or ideological positions: while social enterprises trade in the market like businesses, they pursue a social goal like charities. Simplifications of these differences led to a misunderstanding of the sector and its values. According to Carmel and Harlock (2008), in order to establish the partnership between the SSE and the state, differences among SSE organisations were glossed over and, as a result, a social actor was constructed, embedded in a single governance that imposed the best practice policy agenda. Moreover, this transformed SSE organisations into a state concern and made them dependant on technocratic decision-making, depriving them of their political and
contested voice. Hence, this first discursive transformation of the SSE appeared to be a means of enhancing the sector but in reality moved it away from its radical roots in collective solidarity towards philanthropy and the market.

The 2008 financial crisis to some extent challenged the dominance of the neoliberal hegemony. The Coalition government that took power in 2010 was able to transform the crisis of the macro-paradigm, due to the bailout and extreme financialisation of the economy, into a meso-level problem, by portraying it at the consequence of Labour overspending (Nicholls and Teasdale, 2017). To reduce the deficit, a reduction in welfare spending was required and the solution was called Big Society (BigSoc), a scheme that encouraged citizens to take action as the engine of welfare. It proposed the government be turned upside down (Alcock et al., 2012), moving from big state to big society (Kisby, 2010). This was a radical transformation of the conceptualisation of the welfare state, representing a return to the liberal model, putting forward the idea that SSE should look to the market for funding (North, 2011). The aim of this new policy was a reduction in social exclusion by fixing ‘Britain’s broken society’ in economic, social and political terms.

To reduce the high cost of the large state bureaucracy (Alcock, 2010; Kisby, 2010; Evans, 2011), communities ought to be given control, power and decision-making authority over their own affairs. Thus, for the success of the plan, government drew upon the long history of charity in the UK and voluntary work had a central place in this policy (Conservative Party, 2010; Evans, 2011). Drawing on Cornwall’s (2004) theorisation of public engagement, BigSoc was an ‘invited space’ for SSE participation in policy, in which intermediary organisations related with the civil society are put in charge of planning and delivering services.

However, many scholars consider that BigSoc only acted as a political slogan, in the same way as the ‘third way’ did for the Labour Party. Although BigSoc was portrayed as radically different from New Labour’s partnership, according to Smith (2010) and Alcock et al. (2012) the differences were slight and the shift was only rhetorical. Whereas New
Labour referred to SSE organisations as the ‘third sector’, BigSoc instead named these organisations as part of the civil society, social enterprises, or voluntary or community organisations, concealing their radical potential even more. Evers and Laville (2004: 6) alert us that the concept of civil society is not a synonym for the SSE, and using it in this sense is a colonisation of neoliberal discourse. Finally, although the policy endeavoured to appear radically different from the Thatcherite statement, ‘There is no such thing as society’, many authors have established a link between them in terms of individual responsibility and citizens’ moral obligation to take care of the worst off through voluntary work (Kisby, 2010; Levitas, 2012). It has crystallised the move from a society where people took responsibility for one another to a new model in which they are encouraged to fend for themselves (Scott Cato and Raffaelli, 2017). On this view, Nicholls and Teasdale state clearly that although there was a shift to austerity, ‘the cognitive framing of the neoliberal macro- and (mixed economy of welfare) meso-paradigm within which the social enterprise paradigm was located remained fairly consistent from New Labour to the coalition government’ (2017: 7). In this sense, the BigSoc policy was only a rhetorical change from its predecessors, which rested on the neoliberal idea that public services were inefficient; it created a new synergy between the civil society and the market in order to minimise the costs of welfare to the state. Hence, these two policies can be conceptualised as a continuum that has institutionalised a new discourse in public policy about austerity and the SSE as the responsible for covering the gaps left by the state.

BigSoc was presented as a win-win policy, which encouraged citizens to take action and involve themselves in community issues, reducing public spending. In order to do so, the voluntary and private sectors would work along with state institutions in the provision of welfare services (Smith, 2010). Teasdale’s (2012) research illustrates the changes in the concept of social enterprise as a consequence of the construction of a governable terrain according to the normative and institutional order. Social enterprise referred to mutuals
and co-operatives in the late 1980s, in a repositioning of the organisations to combat market failure. In the early 2000s it included social businesses and reduced the influence of the co-operative discourse. Furthermore, in the late 2000s, policies referred to social enterprises as a response to the failure of voluntary action and social problems. Along with these changes in the concept of social enterprise, social entrepreneurship was presented as a strategy to cope with public spending cuts and a response to unemployment and local deprivation, placing the responsibility for dealing with social problems on individuals, reinforcing the marketisation of the SSE sector, and reflecting BigSoc as inimical to the development of a genuine SSE (Scott Cato and Raffaelli, 2017). All in all, despite the increase in the number of organisations, the question remains as to whether they seek to enhance social well-being or are only a facade.

Local provision of public services was at the centre of BigSoc, as a way to reduce costs. However, evidence suggests this provoked a twofold negative impact on the SSE. First, it operated as a way to reproduce social inequalities rather than as a positive element that could enhance social and economic conditions. Following Amin et al. (2003), the construction of the local discourse should be understood as part of the governmentality that aimed to disarticulate and control collective experiences, rather than as an attempt to encourage them. Moreover, local solutions for social exclusion stimulated the idea of best practices and transferability of experiences between places, with insufficient attention to the context. Secondly, localisation produced a negative redistribution from the poor to the rich and only served as a strategy for power and wealth concentration. Ryan (2014) highlights that a few charities benefited significantly and operated as an elite whereas atomised and localised charities have lost autonomy, resources, and power. Hence, the idea that small and flexible organisations could provide more efficient services was misguided. Moreover, some organisations were only looking for government funding (Dey and Teasdale, 2016), without political accountability.
Moreover, despite the initial incentive of empowerment and the opportunity for the sector to grow, the policy transferred the entire responsibility of well-being to citizens, and as a consequence of the heavy reliance on public funding, it compromised SSE dependence (Kisby, 2010; Scott, 2010; Rayn, 2014). This reinforced the hybridisation of the SSE into an institutionalised isomorphism, becoming part of the state structure and/or the market. The government was largely in control of SSE resources, which diminished its voice and moved it towards the palliative pole. As Levitas (2012) highlights, the underlying intention of BigSoc was get social labour done at the cheapest possible cost —in many cases for free—, pushing back the boundary between market and public sector and between paid and unpaid. All this was aligned with the neoliberal ideology of good governance and a reduction in democratisation and government (Taylor, 2004). In sum, what appeared at first glance as a rupture with the neoliberal doctrine imposed 30 years earlier, resulted in a continuation of this programme that sought the restoration of power of an elite class. BigSoc was a new stage in the hegemonic discourse in which the conceptualisation of the SSE as civil society responded to a deliberate undermining of its values, and the SSE appeared as a third best option, after the market and government.

4.6 SSE in Argentina

*Heyday of capitalism (1850-1930)*

As outlined in Chapter 2, Argentina was one of the fastest-growing economies between 1870 and 1930 as a consequence of the export of agricultural products, largely beef, and its SSE emerged in parallel with the formation of the working class. Both social processes were shaped by the international migration that the country received mainly from Spain and Italy, the majority being workers involved with communist and socialist movements and unions (Schujman, 1984; Arzadun, 2011). It is widely accepted in the literature that mutuals and mutual aid societies, benevolent societies, and renters’
associations responded better to the urban workers' needs, whereas the first cooperatives initially emerged as a way for small farmers to cope with larger, more powerful companies (Schujman, 1984; Campetella et al., 2000; Ressel et al., 2008; Giovannini and Vieta, in press). During the first half of the 20th century, the Argentinian SSE increased significantly (Montes and Ressel, 2003). In general, it was a strategy adopted by those who needed to solve immediate problems through collective action, solidarity and demands for socio-economic inclusion, aiming to reduce economic concentration and, to some extent, issues of work as counterpoints to the economic struggle (Schujman, 1984). In other words, people experiencing tough living conditions organised collectively through solidarity ties, not only to solve problems but also to attain social recognition.

During this time the role of the state in the provision of welfare was minimal and the model of welfare was corporatist, as a range of ‘collective’ bodies were in charge of it, including the Catholic church, immigrants’ organisations or mutual aid organisations. On the one hand, welfare through benevolence relied on the Catholic Church as it was in charge of education, social and health care, and civil registry. However, these duties were later brought within the scope of the state, in an attempt to build up a strong modern state. The Benevolent Society, founded in 1823, was focused on the provision of social care but also on moralising the poor, and remained in operation until the mid-20th century (Thompson and Campetella, 1995). Nonetheless, Catholicism left a footprint on the local voluntary sector that persists. On the other hand, along with benevolent and charitable organisations, associations based on solidarity and self-management appeared, mainly on the basis of immigration collectives, trade associations and political parties (Montes and Ressel, 2003). These associations were widespread in society and people joined them mainly on the basis of place of residence or trade (Campetella et al., 2000).
Although co-operatives had existed beforehand, the foundational act of the co-operative movement was the strike known as *Grito de Alcorta* ('The Cry from Alcorta') in 1912, in which immigrant farmers rebelled against landowners and the high rental charges they imposed (Grela, 1958). However, it was only in 1926 that the first law regarding this type of organisation was passed. The first democratic government (Union Civic Radical 1916-1922) lent great support to the sector, and the number of co-ops was boosted (Montes and Ressel, 2003). Examples of this were the local co-operatives for supplying public services, such as water, electricity, and gas, and telecommunications that emerged in the 1930s. This was a strategy to cope with the low population density of the country (Argentina’s territory is more than eleven times that of Britain, whereas its population at that time was only a third of Britain’s) and the enormous cost it implied for market companies (Montes and Ressel, 2003). Thus, co-operativism resulted in the ultimate solution for a problem that could not be solved in any other way. Therefore, SSE was seen as a valid form of economic organisation as part of the landscape in a country that was under formation.

*The golden age (1930-1980)*

As discussed in Chapter 2, the rise of Juan Domingo Perón in 1946 was a turning point in Argentinian society due to the social transformations Peronism provoked, bringing the working class to the centre of the political arena. During this era, the welfare model shifted towards the state. The SSE was conceptualised as part of a much broader project, known as *justicialismo*, in which the idea of a third way refers to Perón’s personal vision of politics, as neither capitalism nor communism (Vieta, 2012). Nonetheless, in reality, support for rural and consumer co-operatives was included in the two five-year economic plans in 1946 and 1952 (Levin, 1997), but as a means to alleviate the social needs of working people rather than an explicit backing of the SSE. Although the plan was not entirely accomplished due to the coup d’état that took place in
1955, according to the data, co-operatives doubled in number during the 1940s and almost doubled again in the 1950s (Arzadun, 2011).

The enlargement of SSE was part of a process of consolidation of working-class institutions and the establishment of the local welfare state. Although Peronism encouraged SSE, it merged these organisations with the state sphere, which constrained their independence. In 1948 the Foundation for Social Help Maria Eva Duarte de Perón was founded; it absorbed the Benevolence Society and delivered state social welfare hegemonically in the following years. The role of the Foundation was discursively performed within the framework of justicialismo, as it provided neither benevolence nor charity, but rather, social justice (Thompson and Campetella, 1995). Thus, the SSE began to be mobilised by the state to provide a response to the demands of the lowest income sectors of society alongside a consolidation of power (Coraggio, 2002). Although this process was not constant and there are historical periods when SSE acted independently, Argentina is considered an example of the emergence of a populist version of the SSE sector (Coraggio, 2011). Furthermore, despite political differences between the government and the Catholic Church, the latter was an important actor in this field.

Subsequent governments had an ambiguous relationship with the SSE sector. The period from 1955 until 1983 was highly conditioned by the political instability described in Section 2.3. Predictably, military governments did not include any promotion of SSE in their economic plans, or of co-operatives in particular. Only Frondizi’s government (1958 - 1962) included them, highlighting the role of rural co-operatives and aiming to stimulate technical and economic co-operative development through specific loans for this economic sector (Levin, 1997). Moreover, after Perón was ousted in 1955, labour actions became significantly more radical and constant in the period from 1955 until 1975. According to Ruggeri (2014), taking over enterprises has been a form of action taken by workers repeatedly but with some intense periods since the 1950s. For instance, in 1955
a cold storage facility was taken over as a response to a plan to privatise it. Although these actions only lasted for short periods of time, it is possible to argue that these experiences were the forerunners that set the scene for a greater number of takeovers after the neoliberal crisis. Two of them remain functioning to the present: COGTAL, a printing co-op instrumental in the graphic takeovers during the 2000s (Raffaelli, 2013), and IMPA, a metallurgical factory. Despite the fact that there were other attempts to take over companies, Ruggeri (2014) points out that the main distinction between those that occurred during this period and during the neoliberal crisis was that the companies were in good economic conditions formerly, and although there were conflicts, management was transferred based on agreements with the former owners. The return of democracy in 1983 and the government support for civil society organisations brought the SSE back into the scope of public policy, but only for a short period of time, as the neoliberal turn and the de-collectivisation process that came along with it provoked a decline in the size of the sector once more, which lasted until the 2000s (Raffaelli, 2013).

Despite the conflict between Perón’s government and the Catholic Church, a left-wing faction of the latter became very important in the Latin American region by the middle of the last century. Radical priests followed Pope Paul VI’s 1967 encyclical that expressed the interest of Catholicism in social development under the rubric of the ‘mission to the poor’. In this vein, social economy became widespread in South America, as it appeared as an alternative to state socialism in conjunction with the Catholic Church (Moulaert and Ailenei, 2005:2042). This developing religions ideology, known as ‘liberation theology’, infused voluntary action as a means to reconcile social classes in conflict different from social democracy and individualism (McMurtry, 2013). Partly because of its legacy, the SSE was given the name of the popular or solidarity economy (North and Scott Cato, 2017). Despite the fact that this radical Catholic initiative was disarticulated by authoritarian governments in the 1980s (North and Scott Cato, 2017), it reappeared during the 2001 crisis and re-articulated popular projects to provide well-being to the
poorest members of society. Moreover, the first Latin American Pope was installed in 2013: the Argentinian and former Archbishop of Buenos Aires became Pope Francis and has made a number of statements criticising Western countries for disrespecting people, the environment, women, and immigrants, among other disadvantaged groups. His own background as a Jesuit and the adoption of the name of his theological inspiration, Saint Francis, provide evidence of the influence on him of liberation theology (Scott Cato and Raffaelli, 2017).

Another important element to be highlighted is the increasing labour radicalism during this era, which reached a peak in 1969 with the riot known as Cordobazo. This radicalism took the form of strikes and factory takeovers, which questioned employers’ power within the factories. While Peronism was banned, unions operated as space of resistance and workers’ integration (James, 2013). However, differences emerged between grassroots workers and unions’ leaders regarding the role of unions. Whereas the former understood Peronism was the means to get workers’ control and a different economic structure, the latter considered their mission was to look for equity within the prevailing order (Dawyd and Lenguita, 2013). These differences, fostered by Perón himself while he was exiled, deepened and crashed against each other during the third government of Perón (see Section 2.3), which resulted in more radical groups joining guerrillas in order to achieve workers’ control. Although people within the labour movement were active their ability to pursue change was severely restricted under military dictatorships, which attempted to break the movement through state terror tactics to remove key leaders and activists (Feierstein, 2009). In addition, there is evidence that business strongly supported the dictatorships against workers (Basualdo, 2006).

The neoliberal turn (1980-2010)

In spite of the quantitative increase in the co-operative movement during the 20th century, by the end of the century it experienced a dramatic qualitative change as a result of neoliberal policies. According to Coraggio (2011), many co-ops became highly
bureaucratic and lacking in principle as a consequence of the populist model of welfare. In some cases, the use of the co-operative form was distorted by what have been known as ‘false co-operatives’, formed to avoid taxes and create more precarious —and exploitative— work relationships. The result was that anarchist and socialist co-operative principles did not stand the test of time (Ruggeri, 2011). Nonetheless, as North and Scott Cato (2017) suggest, the experience of the military regime and the shock of neoliberalisation provoked a new interest in social movements clamouring for democratisation. Since its origins, the SSE was linked to the provision of livelihood in a context in which survival required and still requires ensuring economic sustainability in a society that does not provide a social safety-net (Scott Cato and Raffaelli, 2017).

Despite the discrediting of the SSE, in the wake of the biggest socio-economic and political crisis in Argentina by the end of 2001 (Section 2.4), many collective actions and new social movement actors re-emerged, standing up for radical, non-state centred and anti-capitalist alternatives, as argued by North and Huber (2004). The range of social movements was significantly wider, addressing local problems, unemployment, labour, and poverty, to name but a few. Relying on a long tradition of autonomy, they pursue a twofold aim: combating poverty, social exclusion and unemployment, and achieving collective values of autonomy, dignity and social justice (Dinerstein, 2010). This type of public participation is what Cornwall (2004) has labelled as popular spaces, in which people join together of their own volition to protest against government policies, to satisfy their needs by themselves, or for solidarity to achieve mutual aims. Autonomy was enacted in three ways, according to Böhm et al. (2010: 19); as a practice autonomous from capital; as a form of independence from the state; and as an alternative to hegemonic discourses of development, that is permanent. Thus, through the concept of autonomy it is possible to explore the contestation of social movements between resistance to economic and political hegemony and integration with it.
Although some anti-neoliberal experiences resulted in transitory and non-resilient alternatives, such as neighbourhood assemblies and barter clubs (North and Huber, 2004), this was not the case of co-operatives and worker-recuperated enterprises \textit{(empresas recuperadas por sus trabajadores, ERTs)}. Although the focus of this study is not on ERTs, an understanding of them is required for a comprehensive analysis of the sector, as they have significantly transformed the Argentinian co-operative movement. Workers, facing the closure of workplaces and an absence of remedial action from owners in the face of micro- and macro-economic failure, decided to occupy their workplaces and make them productive again (Rebón and Caruso, 2004; Ruggeri, 2011; Ruggeri and Vieta, 2015). In this situation, workers soon understood that their best chance of tackling the growing crisis was from within the workplace, rather than accepting their redundancies passively (Raffaelli, 2013). ERTs proposed a combination between a defensive element that prevented them from losing their jobs, and a political aspect that proposed the idea of autonomy (Dinerstein, 2007). The combination of these two elements is the reason why, despite the fact that the economic situation has improved in the last decade, recuperation of enterprises is still an ongoing process reproduced in many countries (Ruggeri and Vieta, 2015).

Moreover, the emergence of ERTs illustrates the transformative process that the co-op movement experienced during the 20th century. Whereas at the beginning of the century co-operatives were associated with agricultural production, they shifted to public services in the middle of the century, and by the 1990s they were mainly worker co-operatives, due to the employment problems caused by the neoliberal regime (Arzadun, 2011). Moreover, although takeovers produced in the 2000s were mainly defensive expressions seeking for secure employment, and those that occurred in the 1970s were offensive driven by ideological underpinnings (Dinerstein, 2007), it can be argued that Argentina has a tradition in this practice which belongs to the cultural capital of the working class (Raffaelli, 2013).
The numerical increase of ERTs led to the co-operative movement recovering the role of solution provider in an employment crisis context, as well as a collective answer for regenerating social bonds; the movement came to play a thriving role in both social and economic transformation. According to Michelsen (1997), the social and economic dimensions of co-operatives are not easy to separate for their members, possibly due to the circumstances in which the sector reappeared a decade previously. The presence of these two strong standpoints took some co-operatives to the end of the road, leading many to dissolution due to poor economic results. In a context of both economic and social crisis, SSE proposed another way of organising the economy and of social inclusion as discussed in Chapter 3. An example of this are the satellite-projects alongside the worker co-operatives run by many ERTs, such as popular schools or cultural centres.

Solidarity was instrumental in workers' projects taking over enterprises and co-operative formation, which is widely recognised in the literature (North and Huber, 2004; Laville and Nyssens, 2000); however, only a few studies recognise the role of co-operation (Vieta, 2014). In many cases, the legal co-operative form was only a formality; however, the process of consolidation of the company and construction of a social group led members to fully adopt the co-operative principles (Vieta, 2014; Raffaelli, 2013). In this sense, the development of solidarity, the collective form of self-management and cooperative relationships are a consequence of practical needs rather than ideology (Dinerstein, 2007) that counteract the de-collectivisation of society that arose as a consequence of neoliberalism (Wycztykier, 2007). Although this form of co-operative collective response had already appeared in Argentinian history during economic turmoil during the 20th century, it was argued by Ruggeri and Vieta (2015) that the distinctive feature of the process of co-operative formation in the 2000s was the way in which workers managed the failure of neoliberalism.
During the Kirchner era\(^5\), in an attempt to reduce the unemployment rate, the government supported SSE and social movements financially and politically via public policies. This era is conceptualised as belonging to the ‘pink tide’ of Latin American centre-left governments that took social demands into consideration and performed a ‘neo-developmentalist’ strategy (Dinerstein, 2017). Regarding the welfare models referred to in Section 4.2, Argentina shifted at some point between liberal and corporatist, as public funding was not significant and the SSE was heavily organised in federations. The scope of the state’s interest in the SSE was significantly broader, as it included ERTs, already existing co-ops and new co-ops founded via participating in those programmes. For instance, the Hands to Work (Manos a la Obra), Self-managed Work Programme (Programa de trabajo autogestionado) and the Argentina Works (Argentina Trabaja) plans sought social inclusion through productive ventures based on the values of associative and self-management (Dinerstein 2007; Neffa et al., 2012). The government relied on the co-operatives created under these policies as employment generators and contracted with them for public works (Giovannini and Vieta, forthcoming). Moreover, these policies were funded by the Ministry for Social Development, historically linked with social assistance, rather than productive funding (Hopp, 2011), suggesting that the SSE is not understood by the state as an alternative form of economy, but rather as a means of redistribution. This raises questions about the aim of the policies, the success in fostering the SSE and the impact it had on existing SSE organisations with respect to how they engaged with public policies and what they had to give up in order to becoming part of it. Following the theorisation developed by Nicholls and Teasdale (2017), this set of policies, which belong to a meso-level of populist SSE, are nested and shaped by the neoliberal paradigm, within which the SSE and co-ops in particular have been understood as a low-quality employment solution.

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\(^5\) Nestor Kircher was in the office from 2003 until 2007. He was followed by his wife, Cristina Fernandez de Kirchner, for two consecutive periods: 2007-2011 and 2011-2015.
In quantitative terms, these policies led to a nine-fold increase in the number of co-operatives in the decade 2001-2010 (Arzadun, 2011), of which more than 7,300 were worker co-operatives (Vuotto, 2012b), and according to Giovannini and Vieta (forthcoming) there is evidence that many co-ops have become sustainable, worker-managed businesses. However, according to Dinerstein (2007), although the policies created new co-operatives, they represented a crystallisation of the tension between the social movements, particularly labour, and the state; they cannot be conceptualised as either top-down or bottom-up. In particular, the Self-managed Work Programme implied a resignation of SSE’s objectives of radical transformation, such as workers’ autonomy and liberation, in exchange for state finance and technical support. In addition, this left co-operatives vulnerable to political decisions (Dinerstein, 2007). They became identified with policies of social assistance that, under the cover of creating co-operatives, provided work-for-welfare programmes that had the ultimate aim of reducing under- and unemployment through local groups. Finally, as the aim of creating co-operatives was to solve employment issues, they ultimately sought to enhance market inclusion, rather than being an element of liberation.

Therefore, despite the fact that the SSE became part of the policy agenda, its scope remains limited (Scott Cato and Raffaelli, 2017), and traces of the neoliberal rationale can be found in SSE organisations, intertwined with radical standpoints (Raffaelli, 2016). In this view, others argue that these policies were an example of the populist feature of the SSE sector, which does not engender autonomous solidarity, but provides a shortcut to developing public policies with the aim of winning elections (Coraggio, 2011). They were a form of social ‘assistance’ that actually created further dependence on central government (Ruggeri and Vieta, 2015) or a means to institutionalise social mobilisation (Dinerstein, 2007). Thus, all these policies understood the SSE is in stark contrast with the theorisation proposed by Coraggio (2002), who considers that SSE should be recognised as a fundamental part of the economy in developing countries due to the
large significance of the informal sector in the satisfaction of needs, which gives as a result a three-sector mixed economy made up of private, public and SSE sectors, as outlined in Chapter 3.

4.7 Conclusion

In this chapter I have offered an account of the set of public policies that had the SSE as their focus within the broader framework of considering the SSE as a field of tension and contestation. I have shown how governments across the world have engaged with the SSE in different ways and provided different levels of support. In particular, the cases of Argentina and the UK were analysed. It is worth noting that although these are two very different societies, they were subject to the same global trends; there are commonalities in terms of how the SSE has been adapted to the political ends of the hegemonic economic discourse. I drew attention to recent public policy and the question whether these new spaces opened up by governments have created real opportunities for fostering the SSE and its own values or if they are only rhetorical and draw on a neoliberal conceptualisation of the economy.

In view of the tensions exposed in Chapter 3, it is possible to argue that public policies, mainly relying on the palliative understanding of the SSE, have considered it as a way to ameliorate the effects of neoliberalism. In Argentina, Hands to Work, the Self-managed Work Programme and Argentina Works have been attached to an existing social reality and used the SSE as a means of reducing poverty and unemployment. In the UK the process was done more openly and fostered the creation of new social projects, mainly under the form of social enterprises, which sought to reduce public welfare costs, by undertaking voluntary action. Furthermore, other concepts that will be relevant in the analysis of the empirical cases that made up my fieldwork were discussed, such as autonomy, solidarity, and the social and economic dimensions of co-operatives.
Bearing all these tensions in mind, the philosophical framework for the analysis of this complex phenomenon should be able to deal with this multi-layered reality. According to post-structuralism, reality is contingent and in particular, Critical Discourse Theory provides the tools needed for the study of it. Having outlined the tension in the field of the SSE and presented the information that allows me to operationalise it, the following chapter explains in detail why post-structuralism provides the analytical tools for analysing these tensions and addresses the philosophical implications of this selection.
CHAPTER 5

HOW AND WHY? RESEARCH METHODOLOGY

5.1 Introduction

In Chapters 3 and 4 I presented the theoretical analysis of the SSE based on an in-depth study of the literature. In this chapter I move on to consider how I addressed the research field in my own right, and how I formalised the task of answering my research questions. As discussed, the SSE is a field in dispute. There are divergences on the understanding of its extent —which organisations are included— and the purpose of the sector —what I have characterised as a dichotomy between the palliative and transformative roles (Chapter 3). The hegemonic economic discourse has put forward one understanding of the SSE, challenged by counter-hegemonic tendencies that understand the SSE as another economy, different from the market. Moreover, understanding the economy as a system made up of three interlinked sectors is a revolutionary idea that challenges the hegemonic order (Amin, 1999; Coraggio, 2011; Pearce, 2005). These differences have led governments to support SSE on the basis of divergent interests and intentions (Chapter 4). Hence, the philosophy and research approach I follow for this thesis dealt with this complexity and proposed a counter-hegemonic view of structures and knowledge. In this chapter I explain the reasons why
poststructuralism and Critical Discourse Analysis provided me the platform to achieve this complex goal.

I begin by presenting certain elements essential to any research project, namely: the research philosophy (Section 5.2) and the research approach (Section 5.3) where I explain the reasons for the framework I selected for this research. Moving on, I discuss the selection of the methodology (Section 5.4) and the methods (Section 5.5) where I offer a more detailed discussion of my methodology including details of how I gained access to the field in both countries, along with the practicality of the selected methods. The subsequent section elucidates research analysis carried out both in parallel with data collection and once the fieldwork was finished (Section 5.6). The final two sections present my personal perspective on the research, which is discussed by way of a reflexive account (Section 5.7), and some discussion of the ethical approach on which this research is grounded (Section 5.8).

5.2. Research Philosophy

Research is an all-embracing process, which intertwines the decisions made in many terrains, such as theory, research philosophy, and data collection. Given the theoretical position stated in Chapter 3 that rejects economics as an objective science, my research philosophy needs to be consistent with this counter-hegemonic standpoint. The understanding of economics as a social science is a philosophical assumption from which all other research decisions arise. This provides a particular standpoint regarding the essential understanding of reality (ontology) and the grounds of knowledge we can acquire about it (epistemology). I present my perspective on these two fundamental questions in the following paragraphs.

The contradictory views of economic theory outlined in Chapter 3 draw on particular ontological assumptions. Ontology refers to the assumptions made about being and
existence; it is a standpoint adopted vis-a-vis reality and the nature of the world. According to Marsh and Furlong (2002), the fundamental question for ontology is whether there is a reality ‘out there’ independent of our knowledge or whether reality is socially constructed. As stated in Chapter 3, rather than understanding economy as separate from other social processes, the theory of the SSE that underpins my research posits the economy as embedded in society and historically conditioned, and therefore changeable. Rather than proposing a realist or a ‘nominalist’ perspective, this research adopts a critical realist approach, which states that there is a world out there but it is socially constructed and that the structures that comprise it can be changed (Fairclough, 2005c). The mainstream economy has been built upon the concept of the market as unbiased and natural, in which economic agents seek to achieve an optimal equilibrium (Samuels, 2003). As stated in Chapter 3, this research relies on a relational ontology of individuals as socially situated actors who build up bonds with others, and rejects the hegemonic neoliberal ontology of individual atomisation and economic rationality as the main reason for relationships. Moreover, the rejection of neoliberalism as a revealed and universal truth and the argument that it is rather a constructed discourse implies the existence of an essence that has to be revealed. In sum, the SSE and neoliberalism rely on opposite ontological principles.

Epistemology reflects what is knowable about the world and the ways to gain that knowledge, within the framework of the binomial realist – nominalist ontology. If reality has a divided existence apart from social actors, the researcher becomes a means: s/he has to be objective and value-free in order to gather this external information (Marsh and Furlong, 2002). This is what is referred to as the positivist epistemology (Burrell and Morgan, 2017; Saunders et al., 2007). In contrast, if reality is a social construction, then the researcher is part of the process of gaining knowledge. From this perspective, objectivity cannot be expected and the understanding of reality is constrained by social structures (Marsh and Furlong, 2002). Within these boundaries, critical realism proposes
a moderate social constructivist approach and proposes a dualist epistemology which focuses on researching relations between actors and structure, granting subjects the capacity to radically transform structures (Fairclough, 2005c). It focuses on both agency and structure rather than conceiving them as alternatives to choose between (Fairclough, 2005c). Hence, the cornerstone of these different epistemological approaches relies on the meaning theorists assign to the concept of ‘true’ knowledge. As discussed in Chapter 3, I understand this research within a social reality that results of a hegemonic struggle; therefore, truth is contingent and relative. On the contrary, capitalist rationality proclaims the market economy as a universal and ahistorical truth, and neoliberalisation as the only available option, with the SSE being necessarily defined as a third sector. Thus, the separation between ontology and epistemology proposed by realism allows me to question neoclassical economic theory and the grounds for it as more valid knowledge than that provided by the SSE. It refers to the tension between the transformative and palliative poles, as well as the interest governments have shown in SSE. Exploring this field of study requires knowledge of the historical context and the implications SSE has in each country. This study is focused on understanding and explaining the particularities rather than finding regularities about the SSE as a whole.

Burrell and Morgan (2017) propose a further complexity surrounding the ontological and epistemological discussion. According to them, the dichotomy of objectivism or realism versus subjectivism or nominalism refers to assumptions about the nature of science, whereas since the 1960s, assumptions about the nature of society have been neglected. Hence, they suggest that the dichotomy between radical and regulatory change also cuts across research activity. Combining these two dichotomies creates four paradigms, as illustrated in Table 6. In Burrell and Morgan’s own words: the four paradigms define ‘very basic meta-theoretical assumptions which underwrite the frame of reference, mode of theorisation and modus operandi of the social theorist. (…) The paradigm does have an underlying unity in terms of its basic and often “taken-for-granted” assumptions, which
separate a group of theorists in a very fundamental way from theorists located in other paradigms’ and paradigms are mutually exclusive’ (Burrell and Morgan, 2017:23). According to the four paradigms identified by the authors, this research can be mapped in the quadrant that merges the subjective and radical change assumptions, as part of the radical humanist approach. As well as understanding reality as socially constructed, I emphasise the significance of questioning and challenging the limitations imposed by social structures, which is aligned with the concept of economy and the understanding of the SSE as a radical alternative outlined in Chapters 3 and 4.

Table 6 - Four paradigms for the analysis of social theory

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<th>Radical change</th>
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<td>Radical humanism</td>
<td>Radical structuralism</td>
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<td>Interpretivism</td>
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<td>Regulation</td>
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Source: Burrell and Morgan (2017)

As well as this heterodox understanding of the scientific research process, I take one more step in framing my research philosophically. Given the fact that my work analyses two countries, one from the minority world and another from the majority world, subjected to historical ties that have reproduced these two categories, the philosophy of this thesis needed to reflect and challenged this complexity (Chapter 2). Having positioned this research in a dualist epistemology and highlighted a non-deterministic relation between agency and structure, my work takes account of the epistemological diversity of the world and acknowledges the need for theories anchored in other epistemologies. In this vein, my research was committed to a decolonisation of the SSE; I do not intend to compare the SSE in Latin America and Europe, but to understand how it works in each context according to the limitations it faces in each place. As argued by Campbell (2011), domination in the globalised world is not through force; it is through ideological means,
which divides the world between North and South, First and Third world, developed and developing countries, or minority and majority world. In these dualisms, the first term refers to the superior culture, whereas the second names the inferior other, setting a distance between the two. These artificial labels enact domination, and those oppressed are forced to follow the path drawn by dominant forces. This dominating rhetoric enables the adoption of external universal solutions, known as best practices, which do not represent the interests of those affected by them. In the analysis of the SSE, best practices might respond to government or market interests, to be examined in Chapters 7 and 8.

Having discussed the theoretical underpinnings for my epistemological position, I should also explain how it helps to elucidate my research questions. There are examples of research into the SSE that has adopted a realist or positivist approach. Pesâma et al. (2013) is an example that examines the role of trust and reciprocity as the basis of commitment within small co-ops. However, the authors are not able to explain the social construction of co-ops, that is, how trust and reciprocity are created, nor to identify whether there is any other value playing an important role, such as solidarity for instance. Moreover, they consider there is only one true knowledge about co-ops. Understanding co-operatives as ‘small business’ is an example of the use of Eurocentric concepts, which would be rejected by Argentinian co-ops. Another example within this paradigm is the study conducted by Brown and Zahrly (1989) about volunteering. It is based on the hypothesis that people, based on a rational calculation, support some activities according to a trade-off between economic donations and volunteering time. Although it might be correct in some cases, this also proposes a single true understanding of volunteering, constrained within the boundaries of the capitalist system, and without space to challenge it. In sum, although this approach is useful to observe and describe reality, if does not capture the complexity of SSE. Thus, it would not have
allowed me to explore the dichotomy of the SSE, nor to expose power relations or challenge hegemony.

A large number of studies have used non-positivist approaches in the study of SSE (Coraggio, 2010; Dash, 2014; Laville, 2013; McMurtry, 2004; North and Scott Cato, 2017; Utting, 2015). Ozarow and Croucher (2014) have analysed reclaimed enterprises in Argentina (or Empresas Recuperadas por sus Trabajadores, ERTs), and their growth over the last 10 years. Despite naming them ‘reclaimed enterprises’, the authors have been able to grasp the significance of the ERTs in Argentinian society, which led them to conclude that ERTs function as a ‘beacon’ for an alternative economic perspective. Another study investigating the SSE (Marques, 2014) is positioned between emancipation and reproduction. Relying on the study of Brazil and Portugal, Marques reveals how the SSE can be envisaged as a market initiative, a means for local development, and a project of social transformation. Despite the colonial history of these two countries, the paper outlines the analysis according to each one’s own reality, rather than intending to reduce one to the other. These are just two examples of SSE studies that challenge the idea of a hegemonic economic truth and position the sector beyond the market/ non-market distinction, proposing it as a space for alternative economic development. My own research is framed in this counter-hegemonic discourse, from where the tension between palliative and transformative can be addressed. Having outlined my research philosophy I move on in the next section to discuss my approach to the research field.

5.3 Research approach

Although in the early stages of the research I considered first phenomenology and later critical theory as research approaches, they were both discarded due to internal limitations that hindered me in researching the role of the SSE in a neoliberal context. Following the critical tradition, I place my research within a poststructuralist paradigm,
which according to Jørgensen and Phillips (2002) is a philosophical approach that draws out both power structures and discourses and allows first-hand interpretations of those who participate in the phenomenon under study. In particular, poststructuralism provided me with the tools for interrogating taken-for-granted assumptions about economics and neoliberalism and the role that counter-hegemonic discourses play in societies, such as the SSE. This perspective revealed the hidden logic through which social actors reproduce neoliberal strategies and allowed me to establish to what extent the SSE is a palliative or an alternative within the neoliberal context. Drawing on poststructuralism, particularly linguistic philosophy, discourse analysis was the philosophical approach I chose for this research.

My objective was to uncover to what extent the SSE has been permeated by neoliberal discourse and whether or not it positions itself as an alternative to capitalism. According to Larner (2000), discourse is understood not as a rhetorical form disseminated by elites, nor as a system of meanings, but rather as a system of representations that produce institutions, practices and identities. Therefore, history and culture are central in shaping these social constructions and consequently, they are contingent. There is no essence to be revealed; rather, meaning emerges from a construction. Accordingly, this research was based on the understanding of social actors’ own practices, with no intention to provide a unique definition, as it involved two cultures and two types of organisations, which might have provoked different meanings of SSE. Following Crotty (2003) and Jørgensen and Phillips (2002), the construction of meaning comes from the particular position actors occupy in social space, which is constrained by hegemonic ideas. Thus, in this research I focused on power relations and ideological underpinnings that might constrain actors’ discourses.

Reality is multifaceted and in constant transformation and every element —particularly the SSE in the case of this research— is transformed as part of the multiple articulation with others. As Jørgensen and Phillips (2002) argue, structures exist only temporarily,
and they are only created, reproduced and transformed through the use of concrete language. Following Belsey (2002), the idea of destabilising hierarchies of meanings, categorisations and classifications is taken to be a powerful means to challenge assumptions. Thus, poststructuralism seemed the best approach for studying a counter-hegemonic economic form; this allowed me to question the ahistorical presumptions of capitalism and scrutinised the influence its rationality had on the SSE. It permitted me to understand the SSE as another economy, rather than as an appendage of the hegemonic economy. Moreover, contingency provided me with different understandings in relation to the historical particularities of each country, criticising taken-for-granted knowledge and rejecting universal theories.

Following Agger’s (1991) theorisation of Foucault, truth is socially and historically constructed and there is only one regime of truth in each historical era. As discussed in Chapter 3, neoliberalism is the current hegemonic discourse, proposing a positivist understanding of the economy in which non-market rationality and society and politics are excluded. It is the result of power struggles: power creates and constrains the conditions of possibility of the social world. Moreover, the idea of limit is central in poststructuralism: the core is destabilised by its own limits, consequently essential truth does not exist; it is rather a matter of perspective (Williams, 2014). In Section 3.4 I suggested the idea of the tripolar economic system, and that the SSE is in the limit of the market. The neoliberal discourse presents itself as hegemonic, and exerts constraint over other discourses that might destabilise the hegemony of market-economy wisdom. The transformative pole of the SSE appears as a challenging discourse for the current regime of truth, which from the limit of the market economy pushes to make visible that an economic order based on different values is possible. Additionally, a parallel can be established between the understanding of poststructuralism regarding power system and knowledge structures and the standpoint of the SSE with regard to power system and economic structure. Hence, the similarities in the way in which poststructuralism and
SSE understand reality, rejecting established orders; reinforced the selection of this philosophical paradigm for the study of SSE. Relying on Critical Discourse Analysis, this research analysed the discourse of SSE and its intention to be a palliative or an alternative for the hegemonic economic discourse. This is explained in the next section.

5.4 Methodology: Critical Discourse Analysis

Discourse analysis is an analytical approach to understanding social reality that proposes adopting a critical perspective in order to uncover the power relations that support a social structure. The intention is to achieve a social change. For this research, Fairclough’s Critical Discourse Analysis (henceforth CDA) will be used. According to Fairclough (1995) and Wodak and Meyer (2009), CDA proposes linguistic and semiotic analysis of a social problem in order to uncover dominant structures, oppressions and ideologies. Language is not merely a communication tool, but a system for ordering social reality. Thus, powerful sets of thoughts produce discourses that configure social values and practices as a way to secure their own interests. Although CDA has been also used to name a broader movement of discourse analysis (Fairclough and Wodak, 1997) in my research I use it in a narrower sense, as an approach to analyse a changing social reality that provides me with the tools to analyse the duality of both social practices and structures.

A central aim of CDA is its critical element, which is also central in this research. According to CDA, social theory should be mobilised by a critique of society and in pursuit of its change, juxtaposed with traditional social research that only seeks to understand or explain social reality. As many authors have stated (Jørgensen and Phillips, 2002; Wodak and Meyer, 2009), its ultimate aim is to produce knowledge that facilitates human emancipation from the dominant structures through self-reflection. Indeed, the nature of problems that concern CDA is conditioned by its interest in social
change; it is a problem-oriented theory based on a hermeneutic approach. Hence, it is necessary to construct the research problem as part of the research process, which has been done in Chapter 3, exposing the constructed nature of neoliberal discourse and the two opposite understandings of the SSE according to the acceptance or rejection of the hegemony. Since my intention is to highlight and compare the role of SSE in northern and southern hemispheres —something that has not been done before— an inductive approach is needed in order to allow reality to 'speak for itself' without imposing external pre-judgements. Having presented CDA theoretically, I will move on to the analytical model of CDA.

According to CDA, the social spectrum is made up of social structure —an abstract entity— and social events —the concrete experience. These two are mediated by social practices: stable and durable formations of social life that form social fields, institutions and organisations (Fairclough and Wodak, 1997). Social practices articulated in a particular way constitute the social order, for instance, the neoliberal order (Fairclough, 2001). Its discourse has been pointed out in Chapter 3 as the market rationale, characterised by a way of acting through the exchange of goods in the market and by a way of being identified with the economic man. In the case of this research, the abstract entity is the economic structure, the concrete is made up of a range of daily events that take place within this structure (economic transactions, partnerships between ventures, concrete labour forms, discussions about the organisation of a company, to name but a few). Through social events it is possible to gain access to the social practice of the SSE and its position in relation to the social neoliberal order. Discourses are an element of social practices and events that cannot be reduced to discursive practices; a discourse in CDA is understood as a combination of discourse and non-discursive elements (Fairclough, 2005c).

As Fairclough (2005a) argues, CDA posits social structures along with social events as part of social reality, and according to him (2005c) its epistemology can be
conceptualised as double. There is a tension between the focus on structure and the focus on action, on agency; as Fairclough suggests, ‘Social agents are not free agents, they are socially constrained, but nor are their actions totally socially determined’ (2003, 22). The complex relationship between structure and agent is not deterministic; rather it is resolved through the mediation of social practices, organisations that intermediate between structure and events, in a dialectical movement. Thus, discourse constitutes and is constituted by the social structure. According to Jørgensen and Phillips (2002) Fairclough’s perspective proposes the analysis of two linguistic levels: macro-sociological analysis of social practices and micro-sociological interpretation of daily experiences. This provides me with the two standpoints I consider my research requires and balances individual experience and structure by which that experience is constrained. This is what Chouliaraki and Fairclough (1999) have called the double dialectic of discourse, as it is a social practice that emerges from the articulation between structure and events and it can be changed through the productive feature of social action, avoiding both entirely structural determinism and voluntarism.

Language is the semiotic element of the social structure (Fairclough and Wodak, 1997), which defines the possibilities of language, sets its boundaries (Fairclough, 2003), and lies behind subjects and their actions but without a deterministic relationship between them. The economy comprises a range of activities that are not seen as economic because they are excluded from the capitalist trilogy (market transactions, labour wage, and capitalist enterprises), as discussed in Chapter 3. Additionally, following Fairclough (1992 and 2003) the order of discourse is the semiotic dimension of the social order, which is made up of a particular articulation of discourses, genres and styles. He argues (2001) that it functions as a meaning maker of the social order; a discourse\(^6\) can be

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\(^6\) According to Fairclough (2005a), discourse has two different meanings: it connotes a range of semiotic elements of social life, such as language or body language; and as a noun, it refers to particular representations of social aspects, such as political discourses.
mainstream or marginal. Neoliberalism is the current social order: it occupies a dominant position and, through power, constrains marginal discourses such as the SSE discourse. Finally, the semiotic element of the social events is texts. According to Fairclough (2005b) they are particular documents made by institutions and organisations, for instance an IMF reports or the data collected for this research, discussed in Chapters 6, 7 and 8.

The side-lining and neglect of marginal discourses reveals the presence of a hegemonic discourse and the hegemonic struggle in which marginal discourses compete for dominance (Dick, 2004; Chapter 3). My aim in this research is to uncover the potential actions of contestation that the SSE performs against the neoliberal order. Moreover, hegemony as an abstract entity is anchored in daily social practices through ideology, a set of beliefs that guides social actions. An economic example is the spread of the idea that time is money. Although it might seem to be seen ‘neutral’, it holds unchallenged assumptions, as suggested by Wodak and Meyer (2009). These representations of the social world take part in the reproduction of the current order and its power relations and domination. Revealing the ideology behind daily practices destabilises them and opens them up to the possibility of change. The analysis of SSE is one example of a hegemonic struggle, focused on disputing the meaning of the economy and exposing different understandings of it. Moreover, an investigation regarding to what extent this counter-hegemonic economic form is understood and what possible implications it might have, is the space where this thesis makes its primary contribution to knowledge.

Fairclough (2003; 2005b) explains that the order of discourse is composed of three dialectically determined elements: discourses, genres and styles. Firstly, discourse figures in discourses, representations of the world, which can be both concrete aspects and elements of the mental world of thoughts and emotions. Social life is reflexive, individuals act and interact, and this interaction produces different representations that change reality. Existing representations are re-contextualised in other practices and
represented in a different way in accordance with the social position (Fairclough, 1995; 2005a). Discourse deals with subjects of knowledge and control. Hence, the analysis of SSE discourses problematizes individual and organisational representations of SSE organisations (Chapter 6), the representation of SSE in relation to public policies (Chapter 7), and the representation of SSE organisations as (in) dependent of the market economy (Chapter 8).

Secondly, according to Fairclough (2003; 2005b) discourse figures in genres, diverse ways of interacting and acting. It might at first glance appear as non-discursive, however, genre analyses the way in which a social action contributes to the reproduction of a social relation. Genres express the relation with other elements, in which power becomes central for ordering (Fairclough, 2001). In this research, the analysis of genres is undertaken in relation to the particular rationality of the SSE and its networking capacity (Chapter 6), the autonomous social relationship established with the government (Chapter 7), and the space for SSE action in a market economy context (Chapter 8).

Thirdly, following Fairclough (2003; 2005b), discourse also figures in behaviours and bodies in the form of styles, therefore it outlines ways of being and identities. This has a double aspect, as styles are about personal and external identification and it is therefore also about ethics and morality. Through the process of identification, discourses are inculcated in identities as if they were unchallenged. This identification process is related with how things are and how they would or should be, referred to as ‘imaginaries’. They could inculcate different styles as ‘Inculcation is a matter of people coming to own discourses, to position themselves inside them, to act and think and talk and see themselves in terms of new discourses’ (Fairclough, 2001; 238). In particular, styles are discussed in this research in relation to the meaning of co-operative and voluntary work (Chapter 6), the utilisation made out of SSE by the governments (Chapter 7), and the role and principles of the SSE as part of the market economy (Chapter 8).
In order to operationalise his model, Fairclough (2005c; 2000) suggests three broad sets of research issues: the problems of recontextualisation, operationalization and inculcation. Recontextualisation deals with the absorption of hegemonic discourses and explores which external discourses are internalised. In my work, this allows me to analyse whether the space of resistance that was the found in the SSE has recontextualised some elements of the neoliberal discourse and become blunted, or whether the SSE is still sharp and challenging. Operationalisation implies the transformation of social relations in new social practices, as a consequence of the hegemonic discourse. A possible finding in this sense might be social relations of SSE organisations, such as solidarity, eroded as a consequence of marketisation and austerity. Finally, inculcation is the absorption of external imaginaries that transformed the identity of a counter-hegemonic discourse. These imaginaries inculcate new social practices and are “a matter of people coming to “own” discourses, to position themselves inside them, to act and think and talk and see themselves in terms of new discourses’ (Fairclough, 2003: 208). In particular, the transformation of the identity of co-ops and VOs as a consequence of the neoliberal discourse is an example of inculcation.

CDA grants a central place to social change, and it is supported by the values of social equality, democracy and justice (Fairclough, 2005b). CDA enables the researcher to uncover power relations in order to change them; relying on a Foucauldian understanding of power, Dick (2004) argues that power is not only oppressive but productive. As Wodak and Meyer (2009) suggest, discourse reproduces social domination and CDA investigates critically the way in which social inequality is expressed, constituted and legitimised through discourse. In this sense, CDA allowed me to answer whether SSE is a palliative to the existing economic system or an alternative economic form nascent within a neoliberal context and to move further in this theorisation. I used this method to understand at what level of the discourses, genres
and styles the SSE discourse challenged the hegemony; to what extent the SSE could be conceptualised as an alternative or a palliative?

Through the analysis of SSE organisations, I would address the following concerns: if the SSE has changed, what was it that changed? What makes SSE organisations resilient, resistant or open to change? Does this change compromise the principles of the SSE? How are external pressures internalised in organisations? How do members respond to them? In this section I presented the methodology selected for this research. Now, it is time to move on to discuss how I approached the research field, to guarantee the viability of data collection, and the achievement of the research objectives.

5.5 Research methods

Although CDA provided me with the platform for engage with the study of the SSE, its articulation with reality is still missing. Thus, in the case of this research I adopted critical ethnography as an appropriate method for collecting the data, as explain in more detail in this section. First, I outline the way I used it, supported by a variety of data collection techniques. Then I discuss the issues of gaining access to the field and introduce the four selected cases. The data-gathering techniques I used were unstructured interviews, unstructured observation and documentary analysis. The selection of multiple data-collection methods is relevant in the reinforcement of conclusions, as a range of methods complement each other in the understanding of reality.

Critical Ethnography

The use of ethnography is consistent with the location of this research project within a poststructuralist paradigm and taking CDA as its analytical approach. It is particularly useful when a piece of research aims to acquire actors’ own perspective about a social phenomenon, as was the case with this research. According to Brewer (2004) ethnography aims to explore social meaning construction in its natural settings, as social
life occurs daily and is not mediated by manipulation. Douglas states this clearly: ‘When one’s concern is the experience of people, the way that they think, feel and act, the most truthful, reliable, complete and simple way of getting that information is to share their experience’ (1976: 112). It proposes a deep immersion in the phenomenon under study; however, a pure ethnographic approach did not correspond with the aims of this work. Consequently, I adopted a critical ethnographic approach.

Poststructuralist ethnography focuses on challenging hegemonic dominance institutions and rejects the idea of a researcher speaking on behalf of those under study. Rather, according to Angrosino (2007), it understands social life as dialogical and poly-vocal, which implies the idea that social practices are not monolithic, as they have continuities and ruptures. Therefore, social research should take them into account and express all the voices that take part in this process. Thus, this research provided a dialogue between two different, and even opposing, ways of understanding SSE, and among organisations that had not been studied before, providing a range of points of view that can enrich the SSE spectrum in each country. Moreover, the comparison between Argentina and the UK has not been made before and research into cooperatives is generally rather sparse. However, this does not mean being uncritical and taking social life and its relations for granted. Thus, critical ethnography proposes the understanding of symbolic life and culture from a local perspective and being critical in this understanding. Meaning-making is a social process that takes place in symbolic interaction as argued by Crotty (2003); hence in this work I placed the focus on understanding actions and representations according to their own process of emergence.

Ethnography focuses on understanding the culture and its symbols from an inside perspective, and its methods imply that research is conducted in its natural environment. It is a field-based method: it requires a long-term commitment; it is inductive as the researcher has to observe fine-grain patterns from the observation; it is dialogic as the
researcher can validate his or her results with those under study; and it is holistic, as it aims to provide a comprehensive image of the studied group (Harvey and Myers, 1995; Angrosino, 2007). Taking all these elements into consideration, the selection of a quasi-ethnographic approach for this research was due to practical reasons, as I could not spend sufficiently long in Argentina to allow full immersion in the research field, due to my duties in the UK. In order to allow a more comprehensive understanding of the phenomenon, several techniques were combined to allow triangulation, which will be explained at the end of this section.

Moreover, as suggested by Angrosino (2007), ethnographic research is generally used to explore a research area that has not yet been studied intensively and where rigid hypotheses cannot yet be framed and tested. In this case, research questions were formulated in a normative way, and they helped me to identify three areas of interest with respect to the role of SSE. They worked as doors to be opened rather than questions to be answered. Hence, data collection was conducted in relation to these three areas. First, I questioned how SSE is currently understood by the organisations; second, I enquired about the relationship between SSE organisations and the government, and their articulation through public policies; third, I investigated the role of SSE as a point of resistance in the context of market economy. Throughout these three areas of knowledge I formulated an understanding of the role of SSE and its position in relation to the palliative and alternative poles. The following section outlines the strategies I developed for gaining access to the organisations.

The issue of gaining access

As Shelton and Hayter (2004) point out, gaining access is a critical aspect for any research, with regard both to entering an organisation and to ensuring the interest of participants taking part in it. This affects significantly the quality of the gathered data, which has an impact on the trustworthiness of the final interpretations. A range of
strategies are outlined by the authors, and some of them were used for this research. Originally, the British voluntary organisation selected was one that provides educational support for children in Wandsworth borough. Although I had no point of contact with it, I emailed them explaining I was studying at Roehampton University, using the University as a sponsor as suggested by Shelton and Hayter (2004). Despite the fact that initially I was told the organisation was interested in participating in this research, when the fieldwork time drew closer, they decided not to take part. This showed me the number of contingencies that might arise during the fieldwork that are not found in textbooks, and that a fundamental skill for an ethnographic researcher is flexibility.

The selection of the four organisations that are the focus of this research was based on a theoretical selection instead of representativeness (Cohen et al., 2011). One printing worker cooperative and one voluntary organisation that work in the care sector in each country were selected. Initially, my intention was to choose organisations providing the same service and performing the same role in order to reduce the differences between them and allow comparison. However, I then realised that the work they do was not relevant in the analysis of the role of the organisation within the SSE and in relation to the economic structure. Hence, after the first voluntary organisation refused to participate, another voluntary organisation was chosen. In general, it is possible to say that all the organisations were selected based on previous links established with the organisations and on the basis of an exchange relationship (Shenton and Hayter, 2004).

Regarding the British institutions, I used intermediaries, as my own contact network was limited. In the case of Argentina, I relied on my own contacts previously established (Raffaelli, 2013; see Section 4.7). Preliminary interviews with longstanding members were conducted in each organisation in order to explore similarities, as well as informal conversations with others, who were the gatekeepers (Neuman, 2010) to the rest of the members.
Once access was given, although I established a close relationship with their members as Robson (2011) suggests, my role as an insider was nevertheless difficult to achieve. I was labelled as the outsider in Argentina as the one who is studying abroad, and in the UK as the Argentinian comparing British SSE with her own home country. Hence, I soon realised I was in a difficult position; however, participants understood I had a different background and a wide knowledge of SSE. This helped me to build up trusting relationships with them. Thus, I dedicated time to it, explaining to them the role of SSE in the other country, how it is structured, and its potentiality and limitations. Moreover, based on the conversation that arose from the interviews, I pointed out how local SSE could be strengthened based on the experience of the other country. Thus, my knowledge in the field helped me to build trusting relations, which were instrumental in conducting the research, along with my proficiency in both languages, which was fundamental, as well as my cultural understanding of each country. After this presentation of the difficulties I experienced in gaining access, the following sections provide a detailed introduction to the four selected case studies.

*Introducing the case studies*

- **PrintCoop**

PrintCoop was founded in the 1970s by a group of printing workers. They were, in general, members of political activist groups in London, such as feminist groups or art collectives, and through them they were trained in the printing industry. One of these groups was in contact with a company that was threatened with closure, and part of that collective decided to keep it as its press operation, using the buyout route. In order to do so, they borrowed £5000 to buy the basic things that allowed them to keep the company producing. However, they had to sacrifice earning any money for the first six months. The maximum number of workers that the co-op had had was 22, and as a consequence of the impact of technology on the industry, it is currently made up of 12 people. It has
been based in a deprived area of London since it was founded, although it is currently an up-coming area, which forced PrintCoop to change building due to the increase in rental prices. The co-op has two sectors, printing operations and design in a broader sense (books, magazines, and websites). It is run as a flat structure, under the premise of one member one vote and they are all paid equally.

- **CommuniRing**

CommuniRing was founded 25 years ago as an organisation to allow people with mental health issues to live independently through a community-based model. Each network is made up of roughly 10 people who live close to each other, and one community living volunteer who helps them in dealing with daily issues, such as bills, doctors and banks. In order to do their job, volunteers are given a flat to live in and become part of the community. These networks are spread all across the country, numbering more than 200. On top of that, there is a structure common to a group of networks, which is one paid worker and one manager. CommuniRing was run in this way for roughly twenty years, however, in the last few years it has had to restructure itself in order to become eligible for grants. As a consequence, it began to work with different groups of people and the network structure has been replaced by paid workers providing hours of support. Due to these changes, the members of CommuniRing who were interviewed represent the variety of workers the organisation has today.

- **GrafiCoop**

GrafiCoop is a printing worker co-operative founded in 2010 by a group of young professionals who had already taken part in other co-operatives. This had brought them into contact with ERTs and alternative understandings of labour relationships. Although it is not an ERT, it is similar to what Ruggeri and Vieta (2015) define as the ‘third era’ of formation of ERTs, which were mainly service-provider cooperatives and largely concentrated in the Buenos Aires Metropolitan area. It is located in downtown Buenos Aires and has three productive departments: printing, media and design. Initial funding
came from the Self-managed Work Programme, a policy that provided funding for buying machinery and a small amount for the living expenses of the co-op members. Nowadays GrafiCoop is made up of 12 workers, and a singular feature is that all of them are young —between 21 and 35 years-old. Furthermore, another element that makes GrafiCoop stand out is that it is part of the Federación Red Gráfica Cooperativa (Co-operative Graphic Network Federation), which will be discussed in Section 6.2.

- **Culturando**

Culturando was founded during Argentina's economic crisis in 2001. Their job is to provide community support to people who live in an impoverished neighbourhood in Buenos Aires City. As the idea emerged from a group of primary school teachers, Culturando started by providing afternoon snacks and educational support for children, and that was a way to involve them in other activities, such as theatre workshops, sports, cooking lessons, etc. Nowadays, the organisation only receives government funding for the afternoon snack, and no other support. It is a self-managed organisation, and the money for paying expenses like the rent or the bills comes from a peña, a monthly event where it is possible to get dinner, see a theatre play or a band performance, and dance afterwards. Culturando also has complementary projects that involve the parents of the children through work, such as a bakery and a textile cooperative, which seek to minimise the consequences of unemployment. The organisation does not have a formal structure, which makes the organisation of the workshops throughout the year difficult, and members are not paid at all.

Subsequent sections present the methods used for gathering data and how their selection was influenced by the fieldwork. First, I explain the reasons for using participant observation in this research.

*Unstructured Observation*
I spent the initial day at each organisation introducing myself in the organisation. I was introduced to all the other members by a gatekeeper and briefly explained my research in order to persuade them to take part in it. Moreover, I organised the interviews and was getting used to the organisational structure, building up trust and understanding the culture of the organisation. During this induction period, observation was conducted as it was the first approach to the organisations. It helped me to identify questions and issues that were put to actors in the interview stage. Following Robson’s (2011) advice, observation was used as a ‘first glance’ phenomenon; it refers to the act of noticing a phenomenon and recording it scientifically. Hence, this initial phase helped me to observe the interaction of members and to identify points of tension between practices and what people said about them. Although this research used unstructured observation, this does not mean that it was undertaken in a naive spirit (Waddington, 2004); the three areas of knowledge —organisations, public policies and the government, and market economy— guided my observation.

Observation was undertaken in an ordinary setting and allowed the understanding of actions within their contexts. As Robson (2011) argues, its major advantage is its directness, since the researcher’s interpretation is not mediated by actors. However, Angrosino (2007) warns that a major concern relates to researcher’s ethnocentrism, as reliance on his/ her own assumptions can mislead the interpretation. In order to avoid this, I developed two strategies to minimise the impact of my personal prejudices on the understanding of the practice. First, an account of my reflection as researcher and my bias was needed (see Section 5.7). Moreover, during the interview stage, data arising from the observation was validated with those engaged in the practice. Hence, as Robson (2011) suggests, observation was used along with other methods and data was cross-validated by other means.

Waddington (2004) alerts us to the importance of keeping the balance between being insider and outsider of the group. Although I was generally well received in the
organisations and they were open with me, I was never perceived as an insider. However, I could alternate between being observer-as-participant and participant-as-observer. Therefore, whenever it was possible, I adopted an active role in the organisation from where I derived the observation. This stage allowed me to gain the confidence of the actors and establish close relations with them (Robson, 2011), which was extremely useful for the interviews, as was discussed in the section about gaining access. When this active role was not possible, I acted as non-participant observer. In both cases the observation drew on an ethnographic approach in order to express actors’ meanings through my personal experience of working in a SSE organisation.

The co-operatives were more open to allowing me to observe their work than the voluntary organisations. Although no assembly took place during my time there, I spent the two weeks participating in conversations and meetings. Throughout this process, I came to understand the type of interaction among members and what co-operative work was like in practice. Conversely, due to the structures of the two voluntary organisations, observation was partial. In Culturando I could participate in their daily activities, get afternoon snacks and play with the children as a volunteer following the premise, ‘when in Rome, do as the Romans do’. Observation was limited due to two external factors: first, as a consequence of the large structure of the organisation, I could only observe a few volunteers for some afternoons. Second, as the fieldwork was done during December, Christmas time affected the regularity of its activities. On the other hand, due to the structure of CommuniRing, I could observe interaction in the organisation’s office in London and meet only a few volunteers but not see them working. Hence, the results of the observation are mainly based on the views of paid workers. Through the observation, I was able to see in practice the presence and absence of the SSE values and resilience with respect to marketisation.

I followed Angrosino’s (2007) recommendations for the dimensions of data collected. I took notes about the space and disposition, actors and activities’ description, actions,
events, behaviours, interactions, feelings and verbatim quotations whenever it was possible. This helped me to acquire comprehensive and detailed data from every session. Notes were taken in as much detail as possible in order to regenerate the fabric of meaning, remembering Taylor and Bogdan's statement that 'if it is not written down, it never happened' (1984:53). All these sessions were chronologically noted, taking into account words, body language and behaviour, in relation to both the values of SSE and the understanding of the role of SSE in a neoliberal context. After every session, I reviewed the notes I had taken and reflected on the content and my personal involvement in this process. Furthermore, anonymity was ensured as the notes were taken once I left the organisation and never in the setting and no name was ever recorded.

In sum, observation required my personal involvement, sensitivity and personal and professional skills in order to understand the inner meaning practices have for actors. This sort of focus and in-depth observation is a very time-consuming activity, meaning that the depth of understanding it yields must be balanced against the narrow range of organisations I am able to study. Therefore, the departure from the field was determined by the time available although I consider that attending 15 successive days allowed me to gain theoretical saturation and thick data. The outline of the operationalisation of the collected data is explained in Section 5.6.

**Documentary Analysis**

Firstly, documentary analysis was done in order to choose the organisations for this research. After a few organisations had been suggested, I used available information about them to understand their mission and discourse. Hence, a systematic review of public documents —such as reports, dossiers, and websites— was conducted in order to help me to contextualise the subsequent stages of the fieldwork and the organisations. Therefore, I used documentary analysis as a complementary methodology as Momeni, et al. suggest (2008). As Bowen (2009) suggests, considering documents as social facts
allowed me to understand their purpose and the way in which they have been produced, shared and used. Therefore, they are an interesting source of data for a piece of research based on discourses and can provide insights different from interviews. The use of this data-collection technique allowed me to realise the image that SSE organisations reflect to the outside, what discourses have been produced about it, and to what extent they reflect participants’ meanings.

As explicated by Bowen (2009), the advantages of documentary analysis outweigh its disadvantages. It is an efficient and cost-effective method; there is a range of public documents that can be analysed; data is non-reactive and stable; and available data covers a long span of time and includes exact details that may have happened a long time ago. However, there are some drawbacks, such as the lack of detail about some topics, low retrievability and selectivity bias. All these limitations were taken in to consideration in this research, and data arising from documents was analysed critically and cautiously. Bowen (2009) makes us aware of the fact that these documents have been created with a different purpose and data cannot be ‘simply lifted’ from them. Rather, the researcher should interpret their meaning, contribution and relevance for the research topic, balancing objective and sensitive skills.

Organisational documents produce their ‘foundational myth’ along with a way to disseminate practices, symbols and control. Moreover, these artefacts are effective in constructing and supporting the hegemonic discourses they defend. In this sense, the following documents were analysed: academic papers, media reports, organisation’s website, video and photo records, reports and technical papers for both external and internal communication. The latter is one of the limitations mentioned above, and the analysis was in general very difficult. I should stress in particular in-house magazines produced by Argentinian organisations. Since its origins, the co-op movement has used them as an effective way to communicate its claims and achievements (Camarero, 2007) and it is still an ongoing practice. Thus, Ansol and El Nacedor magazines were an
extremely relevant source of information for this research. In-house magazines are a regular practice in Argentinian organisations, but not in the British ones. From a poststructuralist standpoint, this is a silence in the co-operative discourse in the UK. These magazines discuss co-ops’ political position in the way done by traditional press of the labour movement.

The analysis of documents focused on what information they conveyed and its tone; how the organisations construct their discourses; how permeated they are by neoliberal discourse; what are their links with government and other organisations; what discourses they are reproducing or arguing against; to name but a few. As this research considered documents developed by SSE organisations, the focus was on what was said as well as what was not said, and the rhetorical work of the text (following Rapley, 2007). Therefore, the argumentation of an idea was treated as having as much meaning as the omission of other topics and the combination of elements and consolidation or disruption of discourses. Finally, the structure that supports particular knowledge is also important for CDA in order to understand the historical path of ideas. Analysis of texts can focus on ‘how ideas, practices and identities emerge, transform, mutate and become the relatively stable things we have today’ (Rapley, 2007:119). Thus, I paid particular attention to the ascendency of neoliberalism and the references to this in the analysed documents. In conclusion, unstructured observation and documentary analysis were used as complementary data sources to grasp a first understanding of the practices of members of SSE organisations. The data acquired was used dialectically to identify the dimensions inside each area of knowledge (organisations, public policies and market economy) that was asked about during the interview stage.

**Unstructured Interviews**

In general, interviews began after the third day in each organisation. By that time, I already knew members and they knew me, and I had agreed a schedule of the interviews to be conducted each day in order to minimise my interference in their daily
workload, as Waddington suggests (2004). Based on the limitations imposed by the number of members of the two co-ops—roughly 10 members each—and following Dick’s (2004) recommendations regarding the number of interviews, I planned to undertake 10 interviews in each organisation. However, some members of PrintCoop decided not to participate in the research, and only a few members of CommuniRing responded satisfactorily to the announcement. This influenced the total number of interviews conducted, which ended up as 7 in each organisation with the exception of CommuniRing where there were only 6. In order to keep a balance, the same number of interviews was conducted in Argentina. In general, they took place during working time and lasted between 50 to 100 minutes. The following table describes the interviews done in each organisation.

Table 7 - Interviews by organisation

| Culturando 15 | Volunteer - +5 years, but currently not participating in it due to some ideological differences |
| Culturando 18 | Volunteer - +5 years, but currently not participating in it due to some ideological differences |
| Culturando 20 | Volunteer - +3 years in the organisation |
| Culturando 25 | Volunteer - +3 years, also works for one of the co-operative bakery of Culturando |
| Culturando 26 | Volunteer - +3 years, but currently not participating due to some ideological differences |
| Culturando 29 | Volunteer - +5 years in the organisation |
| Culturando 32 | Volunteer - +3 years, but currently not participating due to some ideological differences |
| PrintCoop 33 | Worker - +30 years in the organisation, managing the links with other organisations |
| PrintCoop 34 | Worker - +5 years in the organisation |
| PrintCoop 35 | Worker - +20 years in the organisation |
| PrintCoop 36 | Worker - +20 years in the organisation |
| PrintCoop 37 | Worker - +10 years in the organisation |
| PrintCoop 41 | Worker - +30 years in the organisation |
| PrintCoop 46 | Worker - Last person who joined the co-op |
| ComuniRing 38 | Volunteer - +5 years in the organisation and left the due to the restructuring |
| ComuniRing 40 | Volunteer - has been working for more +5 years, critical of the restructuring |
| ComuniRing 42 | Worker - +5 years in the organisation, critical of the restructuring |
| ComuniRing 43 | Worker - 2 years in the organisation, responsible of the new projects |
| ComuniRing 44 | Worker - +10 years in the organisation, not critical of the restructuring |
| ComuniRing 45 | Worker - Joined the organisation to work in the new projects |
At the beginning of each interview, I introduced myself and the aim of the research, and explicitly said there were no right or wrong answers; rather, my interest was in participants' experience. I started the interview by asking about how they joined the organisation; this type of question is easy to answer for interviewees and useful to break the ice. Although interviews were unstructured, they followed a guide according to the three headings: the understanding of SSE organisations, the articulation of the organisation with the government and public policies, and the role of SSE in an increasing context of marketisation. Once every section was finished, I summarised some points of the discussion at the end. As King (2004) reminds us, flexibility is an essential skill for qualitative researchers conducting interviews. These headings triggered topics for interviewees and established links that were as important as the information they provided me, producing together the construction of meaning. Moreover, these three areas of knowledge allowed me to understand participants' practice and their meaning-process. Consequently, I identified the discursive and social practices that are relevant for a comprehensive understanding of SSE.

Fieldwork is a mine of information, and a representation opens up an understanding of the practice that has not been thought before, and needs to be validated with more actors. Hence, along with the interview process and the interviewee informing the researcher, s/he develops further inquiries (Angrosino, 2007). I asked about general areas of interest in order to elicit interviewees' particular understanding and why they structured it in that way, taking into accounts everything they brought to the discussion. My aim was to understand their inner perspective about the SSE and how they come to produce as actors in the SSE. This was achieved by following social constructionism
parameters regarding the social nature of language along with a poststructuralist stance about discourse, as argued by King (2004). I merged the interview stage with the analysis in order to adapt future interviews to emerging representations, as Wodak and Meyer (2009) suggest. Hence, in the first analysis, I found indicators for concepts of palliative and alternative discourses in relation to the three areas of knowledge, and based on these results I continued collecting further data. The ethnographic approach was instrumental for follow up of the issues raised and the flexibility for theoretical sampling until saturation was reached. Through the interviews I gained a comprehensive idea of the role of the SSE in each society. In the cases of contradictory discourses, I asked for clarification in order to understand participants’ own reasons for that contradiction. This exposed the power relations between mainstream and alternative economic discourses. Moreover, following a poststructuralist standpoint, I focused on discourses as well as silences. Therefore, respondents cannot be conceived as ‘a repository of opinions and reason, nor essentially a wellspring of emotions’ as Holstein and Gubrium argue (1997; 11); on the contrary, they were active participants in the meaning-making process (King, 2004). I relied on the facts and the experiences they held, but interpretation and meaning production was done cooperatively in the ongoing communicative process of responding to the interview. According to Holstein and Gubrium (1995), active interviewing relies on the idea that meaning is crafted in a particular context, which involves both researcher and respondent. Thus, meaning is not something already made and unique but rather it is contingent and emerges from interaction. So, I did not expect to gather an essence of SSE, rather I was interested in how participants constructed its meaning. Therefore, my approach challenged the idea of the researcher’s understanding and interviewee subjectivities as contaminants of the research process; conversely, they are a crucial part of it. As argued by Holstein and Gubrium (1995), both respondents and researcher
are implicated in the construction of meaning, as they are ‘always already’ active meaning-makers.

In sum, active interview is a systematised conversation that produces meaning in relation to a particular research issue, in which both interviewer and interviewee are constantly developing their roles, as meaning-makers in a continually unfolding process. Both subjects are actively engaged in the process and communicative contingencies affect the responses and their interpretations. Rather than suppressing subjectivity, active interview is a continual reflexive exercise. Its aim is to gather understanding about the research topics and explain how knowledge is narratively constructed according to Holstein and Gubrium (1995; 1997). Therefore, through questions about the three areas of knowledge I explored whether the SSE is ultimately an alternative or a palliative within the capitalist system.

**Benefits of Triangulation: a strong understanding of the research phenomenon**

As mentioned previously, in order to gain a comprehensive understanding of the phenomenon, ethnographic studies rely on a range of methods for gathering data that allow their limitations to be minimised by their complementary nature. Despite the fact that the aim is to gain an all-embracing understanding of the phenomenon, poststructuralism reminds us that completion is never possible due to the changeable nature of reality. However, ‘triangulation’ makes complementary use of two (or more) sources of data collection in different environments in two ways: first, as argued by Flick (2004) to reduce researcher subjectivity, and second to reinforce the validity of the research, (Angrosino, 2007; Brewer, 2004). This is the reason for selecting three main data-collection techniques in this research: unstructured observation, unstructured interviews and documentary analysis.

Although data collection took place over a short period of time, one technique preceded the other. Documentary analysis was conducted first to select the cases. It was followed by observation in the very first days I stayed in each organisation. These two techniques
provided me with dimensions of the three areas of knowledge theoretically identified, which were explored in the interviews. Documentary analysis of internal documents was also conducted during my time in each organisation. A first analysis of data arising through these three techniques was conducted in the field, which transformed and refined the guides used to collect data as the information that emerged from the diverse methods provided different standpoints regarding the research topic (Olsen, 2004). Following Wodak and Meyer (2009), through this constant movement, I could bring the analysis back to members of SSE organisations and analysed their interpretations of the analysis I had made and reflect about my and their understanding. According to Denzin (1973) methodological triangulation is a ‘process of playing each method off against the other so as to maximise the validity’ of the research (ibid:304). Nowadays, triangulation is considered not as a way to validate data, but a complementary source of gaining deep and wide knowledge and ‘generate a dialectic of learning’ (Olsen 2004:4). After having discussed the methods, the discussion moves on to the research analysis.

5.6 Research Analysis
This section explains the operationalisation of Fairclough’s theoretical model in the analysis of threads of palliative and alternative discourses with regard to the role of SSE in a market-oriented economy. Due to the way CDA assumes a problem-driven approach, the first step was the construction of a social problem, which was done in Chapter 3. According to Fairclough (2003), research topics are those considered by the researcher as having elements of discourse connected with strategies for change and representations and imaginaries of change. Thus, from this, it is the researcher who constructs the objects of research, choosing appropriate theoretical and philosophical approaches and methods for the particular research objects. As explained, SSE is a field in dispute that stands for counter-hegemonic economic principles, where neoliberal
assumptions also coexist. Hence, in order to understand this economic practice, a philosophical approach that took into account both individual and structure was needed.

Data gathered in the field was first divided into the three areas of knowledge that were targeted in this research: organisations, public policies and links with government, and the role of SSE in a market oriented context. Then, through the use of CDA, I recognised dominant discourses, genres and styles in each of the three areas. Within each level of analysis, differences and diversities in discourses are considered. As Wodak and Meyer point out ‘resistances against the colonisation processes executed by the dominant styles, genres and discourses’ were identified (2009:31). This analysis was mainly focused around the contradiction between the palliative and alternative poles in relation to representations, social relations and identification.

At this stage I should acknowledge I have proposed a very tidy structure for the analysis of the findings, which might have led me to force reality into a structure that does not fit comfortably. Although it might seem at first glance that Fairclough’s model was a straightjacket, on the contrary it helped me to identify three important areas that make up social practices and to cross-compare very different things. Due to the different nature of the two types of organisations and the two countries, the neat structure provided by Fairclough’s schema granted me with the organisation to discuss the results in an intelligible manner. This is one of the methodological decisions I had to make. Reality is complex and multifaceted, and I had to force it into a linear argument. Nonetheless, whenever I felt the need to force reality into the model I have developed, I made this explicit.

Within these three levels (discourses, genres and styles) I sought differences and diversities, and linked them with the structural processes of each country and type of organisation. The two opposite understandings of the SSE were already pointed out theoretically in Chapter 3, as well as the aims of governments in relying on the SSE as public service providers in Chapter 4. The empirical analysis focused on actors who
participate in SSE organisations. These differences and diversities are also present at the empirical level, as representations (discourses) are a re-contextualisation of a social practice that takes into account internal and external constrictions, social relations (genres) are transformed by external social practices (operationalisation), and identities are inculcated by external imaginaries. Hence, I looked for the concrete recontextualisation, operationalisation and inculcation of neoliberal discourse in the SSE practice; for the hegemonic struggle between these two competing discourses (this is illustrated in Figure 2).

The first analysis of the data not only strengthened my knowledge about SSE but also reinforced the instruments for data collection through which I could validate actors’ own interpretation of the practice. Moreover, this made me revise the theoretical framework of this research, as in the field I realised I had not paid attention to elements that were constitutive of the practice. When the fieldwork was complete, all the interviews were transcribed. Although this was very time-consuming task, I understood that, as this research is based on discourse, I had to have complete discourses in order to produce knowledge from them. After the first draft of analysis of the three areas of knowledge was done, all the data was re-read in order to ensure all relevant pieces of information were taken into account. Overall, analysis was the result of iteration between data, theory and analysis, and the latter two adapted to the former. Ultimately, this research was transformed by and is a result of the empirics, and theory is a means to explain it, and not the other way around. Moreover, as a researcher I was also transformed personally by empirical data and the next section provides my account of this reflexive process.
5.7 Reflexivity: Positioning myself as the researcher

The discussion about ontology and epistemology consequently leads us to the axiology of the research, which concerns value judgements. According to Saunders et al. (2007), this involves values, ethics and beliefs and an understanding about the role of the researcher in the research process. As this research is situated within social constructionism, the researcher is part of the reality s/he is studying and it is possible to be modified by him/her, which suggests the researcher is value-laden (Saunders et al., 2007). Thus, this section acknowledges my bias and the implications this may have had in the research. Rather than on a neutral ground, the research process is embedded in theoretical, methodological, epistemological, ontological and personal assumptions that the researcher must be aware of (Alvesson and Karreman, 2000). In order to face this issue, reflexivity is a key element that allows the researcher to understand how the research can be influenced by him or herself.

For this purpose it is important to consider how social agents understand their own practices, while also considering the social structures and power that constrain them. It is important that researchers become self-aware and self-conscious in order to understand the personal perspectives through which the research phenomenon is observed. Personal assumptions operate at a very deep level and it may be difficult for the researcher to identify and recognise some personal influences on the research and distance him/her from them; sometimes they might be inaccessible. Consequently, Mauthner and Doucet (2003) suggest the idea of degrees of reflexivity as a more realistic option that allows the researcher to identify and recognise some personal influences on the research and to find some distance from them. Additional to the importance of reflecting on the researcher’s bias, critical ethnography is an approach inclined towards an emancipatory change according to Deetz (1996). Thus, this approach discards completely the possibility of a value-free research, which also denies the political implications of the representation and analysis of data (Alvesson and Karreman, 2000).
In the same way that is not possible to take our values out of the research we are conducting; it is not possible to remove our political standpoint from it. Hence, the need of reflection is twofold.

I reflected on how my research is a product of my personal biography both in academic and personal terms. I grew up during the 1990s in a context in which redundancies and the bankruptcy of small national companies were commonplace, of which I was aware. In 2001 Argentina was going through one of the greatest economic, social and political crises as a consequence of the neoliberal policies (see Section 2.4). This crisis created a place for the re-emergence of social actors’ initiatives, such as reclaimed factories, voluntary organisations, and unemployed movements which soon gained political significance. When I finished secondary school in 2002, the social mobilisation scenario captured my attention and determined my choice of career: sociology. Towards the end of my undergraduate course, I was appointed as research assistant at the Scientific and Technical Research National Council (CONICET) for a project on reclaimed factories and worker co-operatives. This, again, influenced the choice of my master degree and specialisation: the social science of labour. When I moved to the UK, I wanted to know how co-operatives operated in the country that had been a pioneer in this field.

Researching my home country and offering a comparative perspective with a country where I have lived for five years is not a simple task, since I have a deep understanding of the tensions and alliances that social groups experience in Argentina and I do not have an all-embracing knowledge of the UK. Thus, in order to maximise the knowledge I could acquire, I validated my interpretations of the British reality with my supervisors. Moreover, another limitation of this research might be as a consequence of the methodology selected. Even though I am fully competent in English, the main resource of this research is discourse and I might misunderstand some meanings when operating in a language that is not my mother tongue. As I was fully aware of this from the very beginning, it was discussed with my supervisors and they have helped to provide some
validation and triangulation. Furthermore, my previous experience in the field of study gained during my time at CONICET was a determinant of the selection of the topic, which could introduce a possible bias in the research. Furthermore, as an Argentinian, I realised my understanding of economic crisis and the social articulation of response led me to conceptualise SSE as an alternative to market economy based on its original conceptualisation.

Moreover, throughout the selection of the philosophical framework I was able to develop my reflexive understanding about my interest in the field and my personal orientation. This was a long process, which absorbed my attention for at least the first 18 months of my PhD programme. The first research approach I considered was phenomenology (Crotty, 2003). As an advantage, it allowed me gain a comprehensive understanding of meaning production. However, the development of the research process showed me that this approach cannot explore the production of structures that constrain individual action. Consequently, phenomenology would not allow me to answer my research questions, which are heavily concerned with power and social structures. In turn, critical theory allowed me to expose forms of domination, oppression, asymmetry and social inequity, and the idea that reality is a consequence of social struggles (Deetz, 1996) taking into account history and power for the analysis of reality (Curtis, 2008). However, it only provided a macro-level understanding, and minimised a first-person perspective, resulting in an incomplete approach for my research questions. Although this research could have taken many other forms, the final output was the product of a constant reflective process which I undertook with great care. Due to the nature of my research questions, the process required a critical approach that also took into account the experience of those who are involved in SSE; this balance was difficult to find.

The final decision and the reasons for choosing CDA are stated in Section 5.4 of this chapter. I personally considered the study of SSE particularly requires a counter-hegemonic perspective ‘to understand and explain the dimensions of economic life that
have been obscured by the naturalisation of the economy’s current dominant form’ and make those ideas compatible with a socio-political change, as Laville argues (2013, 3). Moreover, during the 20th Century, the market economy expanded to the point of being understood as the legitimate and even the only way of economic order. Therefore, I considered the study of SSE should be critical and should question deeply these features of modern societies. In this sense, Gibson-Graham invoke a sense of academic duty, putting forward the idea that our aim as poststructuralist researchers is to ‘produce a discourse of economic difference as a contribution to a politics of economic innovation (...) [and] a political/ethical decision that influences what kind of worlds we can imagine and create, ones in which we enact and construct rather than resist (or succumb to) economic realities’ (2008; 3:7). For these reasons I understood the analysis of the SSE and the proposed approach as an ethical and political decision. Furthermore, as all this thesis is my personal understanding of this phenomenon, I adopted an active voice in reporting this. This section has outlined my personal concern about the impact I could have on the research; however, I was also concerned with the implications this work might have for the participants. The next section presents the ethical framework of this research.

5.8 Ethical Approach

Every piece of research that involves other people must consider the implications it can have and possible damage that can be caused both to research participants and to the researcher. This is the reason why ethical frameworks work as external bodies to say what is ethical and unethical in social research. However, radical positions in ethics reject the idea of a code of ethics as a list of things that researchers are or are not allowed to do. As Harvey (1990) suggests, ethics in research is processual in two levels. First, it requires ‘self-regulation’ (Hallowell et al., 2005), mediated through ‘self-reflexivity’ (Alvesson and Karreman, 2000) about the possible effects or implications of researchers’
presence within the communities they research; secondly, about the ‘potential implications and consequences of reporting certain findings on the other’ as pointed out by Ferdinand et al. (2007:520). Moreover, standing on a poststructuralist understanding of reality, it is not possible to say that being ethical has a single meaning. As Willmott (1998) suggests, the concept of ethics is socially constructed, therefore, it is necessary to problematize the way judgements of ethics are made and justified. Hence, my intention was to generate knowledge about the SSE based on its own values, such as solidarity and co-operation.

Ultimately, those to whom I owed ethical behaviour were those who agreed to participate in this research. Therefore, I behaved ethically during all the research, considering carefully whether my actions could cause any psychological or physical harm or distress to anyone involved. I assured participants that their data would be treated confidentially and individually anonymised. However, my main responsibility as an ethical researcher was to represent their own voices, which is not possible by ticking the boxes of any code of ethics (Ferdinand et al., 2007). I consider the main harm I could have caused was to misinterpret the information participants shared with me. Therefore, my main efforts regarding ethics were concerned with validating my interpretations. Before the analysis, a transcript of the interview was sent to participants in order to gain their agreement on the transcript. I double checked with them during the analysis process and finally, shared a report with them once the research was finished.

In this sense, it is important that people who participate in any research must be treated respectfully, not as mere data (Rapley, 2007). As Bryman and Bell (2003) propose, reciprocity ought to be one of the aims of the research. Researchers have the ethical responsibility to ‘overcome the power inequalities between themselves and research participants, and for ensuring that the research has benefits for them both’ (Bryman and Bell, 2003:125). Thus, the final report was discussed with people involved in the research, as its aim is not merely communicate to other academics; the participants are
to be given a piece of ownership over the final product. This was a requirement of two of the organisations involved in the research, on which I made a commitment to them before they agreed to participate. Moreover, a copy of the thesis will be given to the co-operative movement bodies in Argentina and the UK, as it could be used as consultancy material.

Before the interviews, I asked participants for their permission to use their data through a consent form. It is a tool that protects both researcher and research participants. On the one hand it prevents participants being exploited by the researcher’s interests and gives them an overview of the research; on the other, it gives the researcher written confirmation of their acceptance to take part in the research (Rapley, 2007). Once the interview was finished, I explained to participants that they had the right to withdraw from the research before they received the transcript of the interview and endorsed it. Whether they decided to do it afterwards, the interviews were not considered individually, but data was analysed collectively. Luckily, there was no case of withdrawal at any stage. Additionally, I informed participants of the time-frame of the research and the time they would receive feedback for the organisation. Finally, all data was anonymised completely, and it will be archived for five years in case it might be needed in future.

5.9. Conclusion

In this chapter I have described in detail how I conducted my research in terms of its methodology, from the ontological and epistemological positions I adopted to the details of the methods followed. The research was located in a moderate social constructionist paradigm, which means that I understand reality as having its own existence but one that can be transformed. The philosophical paradigm of poststructuralism coheres with this philosophy as it deals with the complexity modern societies and allowed an in-depth exploration of the SSE taking into account the powerful forces that struggle in the
construction of discourse. Finally, this did not seek to produce a closed definition and rejected the idea of consensus proposed by other theories that were considered. As this research covered SSE in two countries with different trajectories, it was possible to infer that the construction of discourses around SSE were different. Moreover, the selection of Critical Discourse Analysis was also consistent with the research questions. This methodology provided the potential to recognise the position SSE discourse occupies in relation to the hegemonic discourse, the market economy, and what are the representations, interactions and identities they produce. The research framework was critical ethnography, which allowed me to gain an in-depth knowledge about the SSE. The methods I used included participant and non-participant observation, active interviews and documentary analysis. These three methods allowed me to triangulate the results in order to complement the information gathered and gain a broader understanding of the phenomenon.

Finally, this chapter also explained how I analysed the data I had s of gathered. I have taken into account the historical background of each country outlined in Chapter 2, and the focal theory of the SSE and public policies discussed in Chapters 3 and 4, respectively. To conclude the chapter, I briefly discussed my ethical orientation and considered the importance of reflexivity, which is so vital to research operating within a moderate constructivist paradigm. Hence, I have presented my personal interest in and experience of studying this field. Furthermore, some limitations and how they were dealt with have been mentioned (I will address this further in Section 9.4). Therefore, provided an account of the tools I used for my fieldwork, the next three chapters move on to the empirical analysis that arose from this.
CHAPTER 6

THE ROLE OF SSE ORGANISATIONS:

INITIAL DEFINITIONS FROM THE FIELD

6.1 Introduction

This chapter is the first of three that present the findings of the research work I conducted in four organisations in Argentina and the UK. They are reported in the following three chapters, guided by the research questions about the tension between the palliative and transformative pole in the SSE, which has been operationalised in the three specific research questions outlined in Section 1.2. In Chapters 2, 3 and 4 I have presented the theoretical framework of this research, in terms of history, SSE focal theory and the relationship between the SSE and British and Argentinian governments respectively. Chapter 5 indicated the importance of a critical methodology approach for the analysis of a complex phenomenon such as SSE. Altogether, they presented the concepts and structures that I will use in the approach to the three findings chapters. Given this rationale, Chapter 6 exposes a comparison between SSE organisations’ role in Argentina and the UK, Chapter 7 uncovers the relationships those organisations established with governments and public policies, and Chapter 8 reveals to what extent macrostructures influence social practices, particularly how SSE has been transformed.
by market ideology. The three chapters, which to some extent correspond with the three sectors identified in the economic system (Section 3.5), aim to answer whether the SSE should provide an alternative economic system or tackle the problems caused by capitalism. Drawing an analogy with natural forces, understanding the SSE discourse as a glacier and market rationale as the erosion—two opposing forces that are mutually limiting—, this research aims to comprehend the point where one discourse stops the other, which is contingent on history and location. This is the exact place where the SSE finds the balance between the palliative and transformative discourses. If market discourse is too strong, then, the transformative discourse is diminishing; conversely, if resistance is strong, the glacier of the SSE is not stopped by the erosion of neoliberalisation.

As pointed out in Chapters 2, 3 and 4 the SSE was conceptualised as an economic sector in the 1900s due to the emergence of capitalism as a global economic system; the more it became dominant, the greater the need to define alternatives to it (McMurty, 2015). Moreover, neoliberalisation is the dominant discourse (Section 3.2), which is opposed by alternative discourses (Section 3.3), including the original form of the SSE. Therefore, it would be expected for SSE to be a space of resistance, to puncture the market discourse. However, as I have argued, the weight of the hegemonic discourse can reshape practices and assimilate radical experiences. Hence, in this chapter I explore how these two opposed discourses articulate in reality. Based on participants’ own discourses, I look for evidence of the way in which the SSE discourse is permeated; to what extent the SSE discourse is moving away, whether consciously or unconsciously, from its traditional principles. The four organisations selected for this research are not representative of the whole SSE in the two countries; they are a means to the analysis of the way in which market discourse works through organisations. Understanding SSE as a place of resistance, I question whether market discourse has become the accepted economic narrative or has been resisted. This justifies the
selection of the research methodology: CDA is particularly concerned with the changes that occur in the contemporary world (see Section 5.4).

According to Fairclough, the social practice figures in discourses or representations, constitutes ways of (inter)acting or genres, and figures in ways of being, constituting identities or styles (Fairclough, 2003; 2005b). Subjects and organisations of the SSE are engaged in a counter-hegemonic practice, opposed to neoliberalisation; they take part in a market-ideology context; they are transversed by it. They provide resistance against it in some cases, as well as succumbing to it in others. Hence, there are elements of the hegemonic discourse that have been absorbed by the SSE on the level of representations (recontextualisation), social relations (operationalisation), or identities (inculcation). From the interviews conducted in worker co-operatives and VOs it is possible to analyse the discourses, genres and styles that make up the discourse of SSE. Insights into these forms of resistance and submission are demonstrated by interview quotes, in which some words have been underlined to highlight the absorption of the hegemonic discourse more clearly. Moreover, some quotations are in the text, indicated with double inverted commas, and theoretical concepts developed in previous chapters are italics. Figure 2 illustrates the model on which each section of the chapter is structured, based on Fairclough analytical framework.

This chapter addresses my first research question: to what extent do participants in SSE organisations in the UK and Argentina see them as a basis for resistance to neoliberalisation, providing socio-political and economic well-being, or a means of ameliorating its worst impacts through primarily economic livelihoods or welfare services. In general terms, in the case of this research there is an ideological struggle between the hegemonic order—the market economy—and its opposite—the social and solidarity economy. Considering the history of SSE described in Section 4.4, its emergence as a collective response to the internal limitations of capitalist and the clash of discourses, the SSE would be expected to position itself as an alternative to capitalism. This chapter
addresses the role of contemporary SSE organisations. It is structured in three main parts: Section 6.2 presents the role of co-operatives and Section 6.3 does the same for voluntary organisations; in both, results are reported by country. In Section 6.4 I present a comparison between the organisations and the countries, in which commonalities and differences of the SSE are highlighted. Each of these sections discusses the three dimensions illustrated in Figure 2 as constitutive of the social practice: representations, social relations, and identifications.

Figure 2 - Fairclough three dimensional analytical framework
6.2 Co-operatives: Livelihood or welfare?

Following Fairclough, I based my analysis on an understanding of social practice as the result of interconnected elements: representations (discourses), social relationships (genres), and the identity that practice produces (styles). These three elements are contingent and change in different social contexts and through time. The co-operative movement as social practice appeared as a form of economic and political resistance in the 19th Century and spread out around the world. However, it has changed over time and it has had different meanings according to time and place. As a consequence of the understanding of economic action put forward by neoliberalisation, the economic and socio-political dimensions are presented as non-related (Section 3.2), which I argued associates the SSE with a palliative role. In contrast, the embeddedness of these three dimensions recognise the encompassing proposal of the SSE both in economic and political terms (Section 3.5), which allows the SSE to perform a transformative role.

Having this tension as my guide, the following three sections analyse the articulation of the social and economic dimension, the internal and external social relations, and the values of co-operative labour in the two working co-operatives in Argentina and the UK.

Representations about co-operatives

This section presents the co-operative discourses and the tension between the SSE and market discourses and the socio-political and economic dimensions. I start this analysis with the individuals who work for co-operatives. Analysing members of PrintCoop particularly, I acknowledged two groups of people: those who were involved in political activism in the 1970s, through which they came into contact with co-ops and other workers’ organisations, and these younger members who were not engaged in those political movements. One senior member defined himself and his peers as ‘political activists’ in the 1970s, however, for other respondents, it was not always acknowledged that being part of a co-op was a political action: ‘it was just around me really rather than me being very politically active’. Only after thinking about this topic did the consideration
of co-operativism as a political action appear. On the contrary, those who were younger and had not been involved in politics, found the fact of working in a co-op as a casual occurrence, as something that 'just happened', but found it interesting afterwards although not a political action. Despite these differences, it is possible to say from the interview analysis that the individuals are highly politicised and educated. However, although they had critical ideas, they were not involved in concrete practical resistance to neoliberalisation. Political action has faded away in the PrintCoop discourse since the 1970s; senior members do not understand their current work at the co-op as part of any political action. Moreover, junior members reflect about their work as an end in its own right, in which the radical element is given by the co-operative structure.

Regarding GrafiCoop, there is also a difference among its members about the reasons for being involved in the organisation. The social turmoil the UK experienced in the 1970s can be paralleled with the Argentinian crisis in 2001 (Chapter 2). Political participation was an inevitable consequence of it, particularly among young people. It is important to bear in mind that workers of GrafiCoop are between 21 and 32 years-old and that turmoil is still a fresh memory that marked their lives to different extents. Moreover, it is possible to see through the interviews that its members are also highly political and well educated. Half of the members of GrafiCoop recognise their participation in SSE as a consequence of their political activism, like senior members in PrintCoop. They were/ are surrounded by SSE organisations, so their participation was 'straightforward'; they participated in a ‘popular school’ or ‘worked for a consumer co-op’. The rest of the people I spoke to mentioned that they had had no previous contact with SSE, and they joined the co-op ‘by chance’. Despite the different reasons for that initial involvement, many members of GrafiCoop subsequently became involved in other SSE organisation, mainly voluntary and political. In this sense, although not in the beginning, the representation of the subjects involved in GrafiCoop is linked with concrete political action, which is not present in PrintCoop.
As stated before, the political element is instrumental in the conceptualisation of the SSE
as an alternative economic system (Section 3.5). It is related to the original values of the
sector and challenges the hegemony of neoliberalisation. In both co-ops, participation
was considered as a political action during turmoil (UK in the 1970s and Argentina in the
2000s). Political participation triggered the involvement of many of their members; for
others, rather, it was by chance and they joined the co-op because of it was a job.
However, political engagement is part of the past in PrintCoop but a present dimension
in GrafiCoop. After characterising the individuals, it is time to move onto the
organisations.

Broadly speaking, PrintCoop represents itself as an ethical business: towards the interior
it is about ethical labour relationships and business, and towards the exterior about
minimising the impact on the environment. In their own words:

“We are a business first and foremost; we have to compete with other businesses”
PrintCoop 34.

“We are fundamentally a manufacturing business and our main agenda is to create jobs
for us and in the future. (...) Our primary aim is to create decent work for its members.
Our purpose is the CICOPA worker cooperatives, decent jobs, cultural equality and
respect of work, the opportunity for members to develop their skills and capacities and the
opportunity to sort of manage all working lines. (...) So everything else we do it is really
towards that”. PrintCoop 36

These quotations illustrate that PrintCoop represents itself primarily as a business with
the objective to create decent jobs, aligned with International Co-operative Alliance (ICA)
principles, and to generate a strong working environment on which they can rely. The
aim of PrintCoop is to provide a better option in terms of employment within the
boundaries of the current hegemonic system. Moreover, ecological concern is central in
the representation of PrintCoop; they recognise themselves as ‘the green guys’. It has
been a pioneer in working with recycled paper and taking the environment into
consideration. Although in recent years the importance of minimising pollution in productive sectors has increased and it is seen as desirable in terms of marketing, PrintCoop made this decision grounded on ethical principles, linked with the traditional values of the SSE. However, despite the fact that PrintCoop accomplishes the three main co-op principles —democratic control, people over capital, and community concern—, it does not aim to go beyond the limits externally imposed on the SSE by the hegemonic discourse.

Understanding PrintCoop as an ethical business allows the separation of the social and economic dimensions. Economically speaking, the co-op’s primary interest is in being effective and efficient; these are the foundations of their autonomy and sustainability. Due to the impact of technological change in the printing sector, PrintCoop has specialised in a ‘niche market area’ that still needs to produce concrete activity. This small but very loyal segment of the market is partly what allows them to keep the business running. It reflects the strong ability to adapt to the changing environment, capacity-building according to Utting (2015), as PrintCoop has established strong articulations with the market and has found a way to adapt to the current limitations of the printing industry (Section 3.5). In social terms, along with the fading of political activism and the idea of ethical business, PrintCoop shifted from a socio-economic project towards an ‘economic one with social concern’. These two transformations are part of the same move: business discourse has cracked the co-operative discourse and leaked away part of its ideology, which can be seen through the language ‘commercial work’, ‘niche areas’, ‘production based company’. This will be discussed further in Section 8.2. The following quote reflects how the economic dimension has overcome the social:

“PrintCoop was at the start a sort of a community press but it moved toward doing more commercial work and it also always was improving the quality of its products. So we could go for different types of business…” PrintCoop 33
“Different people, members of PrintCoop have different areas of interest, whether it's in music or arts… and PrintCoop can be quite important in terms of what they are doing outside of PrintCoop. We support different types of activities, many cultural activities that our members are involved in” PrintCoop 36

The social dimension in PrintCoop is confined to the inner social relations of the co-op. Social justice in PrintCoop is focused on reducing inequality between members to a minimum. Indeed, it has a flat structure with no managers and all members are paid equally, which does not occur in GrafiCoop. Therefore, the social dimension of PrintCoop is confined to the co-operative itself. Whereas ‘capital business’ looks for ‘surplus value’, in co-ops ‘that isn’t the most important thing’, rather, they ‘are looking to be sustainable’, as someone said. Relying on the typology made up by Vuotto (2011) presented in Section 3.4, PrintCoop can be conceptualised as a business-oriented organisation, in which primacy is given to the ownership and the rights it endows. In sum, referring to a co-op as an ethical business is an indication of the absorption of the market discourse, which chimes with the idea that the SSE, within the limits of market economy, takes for granted market ideology and neglects any transformative potential. Moreover, the separation between the social and economic dimensions is a process belonging to the market discourse. Hence, PrintCoop’s discourse is closer to economic livelihood than resistance to neoliberalisation. This is reinforced by the representation of PrintCoop in relation to the marketisation process, which will be discussed in Section 8.2.

GrafiCoop represents itself as a ‘self-managed organisation’ that balances the entrepreneurial and the socio-political dimensions, as these quotations illustrate:

“We define ourselves as a media, design and communication agency. (…) I think we could be introduced as a company nowadays, without mentioning we are a co-operative. However, we recognise ourselves better as a co-op because of political and social aims it includes” GrafiCoop 1
“The goal is whatever the members want. At the beginning it was creating employment, live out of this and see other co-ops are created around us, (...) We’re a self-managed organisation” GrafiCoop 3

“The aim is to have a structured company, which makes the administration easier, and to complement the economic with the political side. Those have been the two key things for us” GrafiCoop 8

GrafiCoop’s members ‘reject the use of business language’ deliberately and represent the co-op as an economic and socio-political organisation. The interdependence of these dimensions has been pointed out in Section 3.5 as rooted in the SSE principles. Its main aim is to ‘create jobs’ rather than ‘create decent jobs’ as was the case of PrintCoop. This difference might be imprinted by the socio-economic crisis of 2001 and the significant high unemployment rate (see Section 2.4). The socio-political representation is expressed by the idea of enlarging and strengthening the co-operative movement. It intends to irradiate the co-op model outside the organisation and spread the word about another way of economy. This is associated with the understanding of GrafiCoop’s members about their participation in the co-op as a political action. The re-emergence of political action during the 2001 crisis transformed subjects and radicalised their standpoints; the failure of the neoliberal system made them think about alternatives to the unbalanced economic system. GrafiCoop embraces the idea of creating jobs in a context of crisis, aligned with the idea of the co-operative movement as a tool in case of economic turmoil and the neoliberal understanding of the SSE. However, the co-op is committed to making the movement visible in order to demonstrate another economic system and enlarge the frame of reference of economic action, which is part of the theorisation of a diverse economy I proposed in Section 3.3. Moreover, this is reinforced by the representation of the co-op within the market, in which the market rationale is downplayed by the social aim of the co-op.
Contrary to the easy differentiation between the economic and social dimensions made in PrintCoop, they are difficult to differentiate in GrafiCoop. Its members actually acknowledge the limitations in achieving economic sustainability, although in some cases it is a consequence of the mutual determination of the two dimensions. This reflects the weak ability of GrafiCoop to adapt to the external environment, to the market and its changes. Despite this limitation, GrafiCoop represents itself as a producer not only of goods but also of social relations; social and economic goals are mutually determined. This is a feature of the Argentinian co-operative movement, which has taken many co-ops to the end of the road and bankruptcy. In the articulation of these two antagonistic dimensions, the role of solidarity becomes central, which is constitutive of the transformative understanding of the SSE. While I was conducting interviews, one person told me, ‘you might not see politics in the way we print a book, but all the books we print have a political standpoint’. This was said as a box of recently printed books by Ruggeri (2015) about ERTs was lying on the floor. According to the typology presented in Chapter 3 (Vuotto 2011), GrafiCoop can be identified as an activist organisation, in which the focus is on ensuring workers’ rights in relation to the nature and content of the work but also on constructing a solidary structure. In their own voice:

“The solidarity principle was always present. Maybe not the entrepreneurial, which is the strongest critique made to us. (...) The entrepreneurial part is sometimes left behind… but we have to produce and make money in order to survive, and that depends on us” GrafiCoop 3

“GrafiCoop has this double function: satisfying the need of its members, which is the entrepreneurial part, and the political that conditions the entrepreneurial. (...) We do not see economic and political objectives as separate each from other. (...) Our productive system is aligned with our political understanding, and vice versa. (...) We aim to build up a productive process over the value of solidarity. (...) The major difficulty in co-operative management is how we articulate the political and the entrepreneurial dimensions; how
we combine labour and solidarity. Many of the entrepreneurial conflicts we experienced were a consequence of not being able to act in solidarity.” GrafiCoop 4

In sum, although social and economic objectives appear as opposing in the palliative theorisations of the SSE, GrafiCoop contradicts this and highlights the role of solidarity as a mediating influence. Its representation is as a self-managed organisation, suggesting that both the socio-political and the economic dimensions are equally important. The representation of GrafiCoop as an organisation is aligned with the traditional values of the SSE and the definition of the SSE I outlined in Section 3.5, as a means for socio-political and economic well-being.

To sum up, representations in co-ops are built around the socio-political and economic dimensions. Political ideology is present in members of both co-ops, but only achieved the level of political action in GrafiCoop. However, organisations represent distinctly. PrintCoop represents itself an ethical business concerned with creating decent jobs and ecological values. Its social and economic dimensions are separated, and therefore its discourse is closer to that of economic livelihood. Meanwhile GrafiCoop represents itself as a self-managed organisation engaged with socio-political action. Its social and economic sides are intertwined and the role of solidarity is instrumental in the articulation of these two dimensions. Hence, the degree of embeddedness of the social, political and economic elements in co-operatives is the first element that helps us in the conceptualisation of the SSE as palliative or transformative of the hegemonic system. After having presented discourses, it is time to move on to the genres of co-operative social practice.

The power of networking

This section outlines both internal and external social relations in co-operatives, or their genre (Figure 2). According to Utting, the institutional complementarities of an organisation are the links it establishes with other institutions (organisations, the market, the government), which are instrumental in achieving both economic and political
empowerment (Section 3.5). I have argued elsewhere the benefits that workers’ co-operatives gain from being associated in a federation in economic and social-political terms (Raffaelli, 2015). These social relations allow the SSE to be in a position of power, from where it can put forward an alternative economic form linked with the embeddedness of the social, political and economic dimensions, rather than only the provision of livelihood. Thus, scrutinising the social relations of co-operatives became central in the analysis of its role as palliative or transformative of the current economic system.

The social dimension of PrintCoop outlined in the previous section, which described the support lent to individual members’ activities, contradicts the collective values of co-ops discussed in Section 4.3 and exposes the level of individualism of social relations. Moreover, the analysis of the co-operative’s social relations as an organisation reveals that its links with the co-op movement are weak. Although PrintCoop recognises its links with the broader movement, the quality of those ties is poor for several reasons. Many members do not consider being involved in the movement as part of their responsibilities; they do not attend ‘co-operative weekends’ because their ‘responsibilities are here’ (in the co-op). Moreover, although they ‘are members of various bodies, [they] don’t really have a lot to do with them’; their focus is the co-op. Hence, fostering social relations with other co-ops is not central for all the members of PrintCoop. One person in PrintCoop manages the ‘contact with lots of groups’, who explained to me the different stages in the relation with the broader movement:

“So in 2004 I was thinking about where we could get more business from. And I thought what about this co-operatives thing. (...) I didn’t get any business from that but I did meet lots of people and got started to get interested in it (...). After 2004, when we started to look at the cooperative movement as a business network where we could get contracts and work, we talked about it even more. (...) Worker Coops are kind of not strong. I wouldn’t say we are strongly organised. Everything I do is about trying to strengthen
some business networks. And the key I think it’s helping each other to grow our businesses. (...) We do quite a lot of what we called “business referral networking”, which is basically seeing how we can find or identify potential customers for other cooperatives and social enterprises”. PrintCoop 33

The idea of the co-operative movement as a business network is explicit in the quotation, in conjunction with the discursive detachment between the co-op and the movement. The main motivation for networking with other co-ops arose from looking for more business and enlarging the business network, and this is still the case. Regarding the political role of the movement, it is as a lobby group but not as a collective. Understanding the movement in this way deeply underestimates the collective support it can lend and the social and political impact it can provide to other sectors of society, being constrained in the palliative theorisation of the SSE and demonstrating a weak institutional complementarity in terms of networking (Section 3.5). Moreover, very few members of PrintCoop are linked with the co-operative movement, which results in a specialisation of some of the members, as if networking were a particular skill. This lack of general interest and cohesion with the movement is linked with the market principles towards which British society has been oriented for more than 30 years, and co-ops are no exception.

Therefore, weak social relations with the movement are an example of the adoption of market discourse in the co-operative practice (operationalization according to Fairclough). Market ideology has sabotaged workers’ resistance and collective mechanisms, and PrintCoop has internalised the hegemonic discourses in contrast to the tradition of the sector. Restraining the limits of the co-operatives at the workplace is a victory for the market discourse. This provoked a differentiation between the co-op and the movement, and an understanding of them as two different things rather than one as part of the other. Despite these macro restrictions, there are individual experiences that aim to reverse this trend. In order to contribute to the process of enlarging the co-
operative movement, a PrintCoop member has set up a co-operative business consultancy that aims to strengthen new co-ops and minimise troubles which can sometimes be significant. Moreover, very interesting initiatives for crowd-funding have been launched from the co-operative movement, although these are also incipient. These counter-hegemonic initiatives can enlighten locally but also globally, as they tackle two of the bottlenecks co-ops experience in Argentina, for example.

Similar to the interlacing of social and economic aims in GrafiCoop is the relationship between the co-op and the movement, in which solidarity is instrumental to enlarging the co-operative movement. GrafiCoop is one of the members of Federación Red Gráfica Cooperativa, FRGC (Co-operative Graphic Network Federation), a printing co-operative network founded in 2003. It emerged from informal relations among co-ops that belonged to the National Movement of Recuperated Enterprises. It was inspired by the Basque network Mondragon and the Italian Legacoop, to foster both commerce and political and public representation for its members. Currently, it consists of 30 cooperative-members, which employ more than 800 workers. It is a productive organisation that aims to ensure competitiveness and the economic and social sustainability of its members (Raffaelli, 2013; 2015). It works as a combined commercial structure in which co-ops altogether perform as a single organisation, which allows them to increase production and provide services that they cannot do on their own, and therefore generate greater economic turnover (Pacenza and Raffaelli, 2012). Moreover, FRGC is also linked to national associations, such as Federación de Cooperativas de Trabajo de la República Argentina, FECOOTRA, (Argentinian Worker Co-operatives Federation) and the Instituto Nacional de Asociativismo y Economía Social, INAES (National Council of Associations and Social Economy) and international associations such as the International Cooperative Alliance (ICA) for the Americas. Federations work as propellers for ensuring sustainability.
Strong links with other institutions complement the representation of the GrafiCoop analysed in the last section. GrafiCoop aims to surpress the limits externally imposed on them and generate relationships that allow them to enlarge their impact, both in concrete and discursive terms. According to its members, GrafiCoop was ‘founded around FRGC’ and all its efforts are towards the consolidation of printing worker co-ops. Moreover, FECOOTRA has also acted as an intermediary for pushing the boundaries of the sector. Federations are part of a ‘greater project’ of which GrafiCoop is part.

“We would like there to be more graphic design co-ops within the co-operative movement, not only GrafiCoop. Many times we end up being an intermediary for accelerating some processes. Very often we attract clients who are too big for us, but not for other co-ops. Then, we work to broaden the provision of services, not only from GrafiCoop, but of any other co-op. That is also useful for us” GrafiCoop 8

Having the comprehensive analysis of FRGC as a backdrop (Raffaelli 2015), it is important to highlight that it develops collaborative strategies, solidarity actions and self-management. An example of this is the printing shop some co-ops opened together in downtown Buenos Aires, reinforcing solidarity links that articulate economic and social dimensions. Hence, GrafiCoop is part of a thick network of relationships, which ensures its sustainability. This demonstrates GrafiCoop’s strong institutional complementarity, and the collective actions pursued to achieve economic and political empowerment also suggest a reconfiguration of power relations towards the transformation of the economy. These relationships are not just about economic turnover; although FRGC is a productive cluster, it transformed competitor co-ops into collaborators through association and social relations not aligned on a market rationale. Hence, GrafiCoop is part of a structure that increases working capacity along with membership of a collective that reproduces co-operative values (Raffaelli, 2015).

In sum, the Argentinian and British co-ops have different capacities to build up links with other organisations. There is a clear detachment between PrintCoop and the co-
operative movement. Consequently, this affects the strength of the latter, which is mainly seen as a business network. Only a few members of PrintCoop acknowledged the importance of strengthening relations with other co-ops, and I theorised the primacy of individualism as a consequence of the market hegemony, in opposition to co-operative values (Section 3.2). In the case of GrafiCoop, both internal and external social relations are understood as key factors in the success of the co-op. A reflection of this is the fact that GrafiCoop has been heavily involved in economic and political federations, which help in the support of GrafiCoop economically but also enlarge the frame of reference of economic action. These strong social relations have been central to the dialogue with the government (see further in Section 7.2). Although not from a position of power, the co-op movement has put forward an alternative economy, taking into account the economic, social and political dimensions. After discussing the co-operative social relations, it is time to analyse the process of identity formation within co-ops.

The co-operative identity

This section discusses how the co-operative discourse figures in ways of being and constitutes identities or styles (Figure 2). Worker co-operative identities are built up around values of self-management, democratic decision-making, primacy of members over profit and social concern (Section 3.4). Moreover, their identity intertwines the political standpoints and cultural resistance in the development of the co-operative labour relationships that counteract the hegemonic economy. However, there are also elements of this identity that belong to the capitalist labour form, such as lack of ownership, which co-ops have to abolish in order to minimise the influences of external discourses. Thus, the co-operative identity reflects to what extent co-ops provide primarily economic livelihoods and perform a palliative role or broaden socio-political and economic well-being in the pursuit of a transformation of the economic structure.
In my fieldwork I observed that the practice of co-operative work is understood differently from the ‘capitalist’ labour form in terms of labour relations, duties, responsibility and involvement; in both co-ops I studied the three main principles of co-operation are present: democratic member control, primacy of people over capital, and community concern (See Section 3.4). The co-operative labour form means workers having control of their work and the organisation they work for. Despite some problems, information is not sectored, as in market companies, which leads co-ops to consensus decision-making and being more confident about the work they do. Moreover, everyone can say what they think and be taken into account, which promotes a true sense of participation. A common practice in both co-ops is that workers are trained in other job positions, which reinforces co-operation. This gives them a ‘sense of empowerment and a very open and democratic’ practice, which makes them ‘understand work in a different way’, in their own words.

“It’s very different from working in a conventional company; (...) we don’t have a conventional management hierarchy. So we make decisions by consensus, (...) is giving me the opportunity to develop new skills, and I have a lot of autonomy in the way I define my work and how I do it. I am accountable and I report that, the way I do my job is the way I want to do my job. (...) I think it’s the highest standards of ethics in every way, the way we do stuff, which means it’s psychologically less damaging than much work”
PrintCoop 33

“I prefer self-management form of labour, the fact that we are all responsible for what is well and badly done. It is good to generate ideas through discussion and choose what we want to do” GrafiCoop 1

Co-operative work is a radically different way to understand labour relationships, in which autonomy, responsibility, and involvement are key skills. These distinctive elements of co-operative labour relationships make up the co-operative identity. Moreover, this construction implies diverse labour relations that confront capitalist standpoints. As part of the alternative economic ideology proposed by co-ops, economic aims are intertwined
with other goals, such as empowerment and participation, which enable the counter-hegemonic position, as discussed in Section 3.4. Therefore, workers have to abandon the approach of market-oriented companies and learn new skills. This is acknowledged in both co-ops, as these quotations show:

“I actually think [co-operative work] it's an unlearning process. I was very conditioned by the world of work, even for the educational system, that formulates your ideas of how you're going to function as a worker. So I think it was a lot like undoing those processes to understand how to be a co-operative. It's very easy to do it once you undo the other thing” PrintCoop 46

“We have to re-educate ourselves, as workers. And also people in the co-op movement in order to position it differently in the political agenda” GrafiCoop 7

This unlearning process implies workers’ identification with the co-operative discourse, whose final goal is gaining back the autonomy that capitalist labour relations have taken away from the workers’ realm. On the contrary, jobs are not prescribed in co-operatives; rather it is workers’ decision to do what they consider best. This requires a greater commitment from workers, which is not easy to develop or achieve and conditions the sense of ownership of the organisation. Ownership is difficult to develop and might not suit everyone; some workers might decide not to be involved in the control of the organisation, despite being owners. The lack of ownership and involvement is definitely one of the difficulties that co-ops face, irrespective of the country, which reflects the hegemonic ideology of the global economy, which sabotages workers’ collective responses in any form (Section 3.2). These quotations pertain to this issue:

“Understanding [the co-op] as your own business is actually quite a difficult thing to take on. People can drop into a place where they won’t basically want to come in and do a job and be told what to do, whereas really the cooperative idea referring to really the cooperative aspects of the business where you recognise that we are part of it, Ideally we share some sense of ownership of the business and we can influence. We all have an
equal say on how it works. Now that’s not necessarily what people feel for whatever reason” PrintCoop 41

“It was difficult to establish a common level of responsibility regarding labour and politics. For me, it was always very natural. (...) However, when we accomplish that level and the idea of collective ownership develops, and we become responsible for what is right and wrong, it is very satisfactory” GrafiCoop 8.

Lack of ownership and involvement are attitudes that correspond to a capitalist standpoint, which also need to be unlearned, linked with the rationale of the economic man outlined in Section 3.2. In order to understand relationships in a completely new way, a collective identity that destabilises the market ideology of individualism is required. Through the analysis of the interviews, the relevance of democratic decision-making, primacy of people over profit, and social concern in the construction of the cooperative identity was clear. This is what I have identified in Section 3.5 as the political side of the SSE, which challenges economic and political orthodoxy. Moreover, it works as a binding ideology that guides co-ops and helps them to maintain their values and practices even under external pressure.

Despite the similarities highlighted in the process of identity formation, there are diverse reflections about the values on which co-operative work is based. Aligned with the ethical business representation, co-operative identity in PrintCoop is a form of labour relationships based on ethics and fairness rather than competition. Although ethical principles might appear as part of the re-embeddedness of economics into society (Section 3.3), cultural and political resistance play a part in accomplishing this, which is absent in the co-operative identity of PrintCoop. It does not aim to challenge the market economy; rather it provides an alternative within it, based on a distinct rationality of multidirectional power relations. Finally, the political element that was present decades ago seemed to have disappeared.
“I would say we were probably a little bit more radical when we were younger. But we still keep our radical roots in the type of work that we do. (...) Ideally you have a much more benign capitalism, a fair society and I think cooperatives are the middle way into that. (...) And also from the personal level I want to earn money, and I think everyone does, but it would be obviously we all want a much fairer society.

P – So in a way cooperativism is about fairness?

X – Yes” PrintCoop 36

“They remember the political old days when there were riots and stuff over here, and I think they used to go and join them. All these political [ideas] seemed to calm down since then. (...) If they said to me we’ll shut down today and we’re all going to lose some money, because we are going to go to some march, it’s not forced but [breaks off]. They talk about it but [breaks off]. [It is about] memory. They might go on demos but they’re all home owners, they’ve all bills to pay, they’re all not living in squats and stuff. It’s not like it was” PrintCoop37

Based on these quotations, it is possible to say that making a living has surpassed the radical standpoints of co-op identity for PrintCoop members. The hegemony of capitalism is challenged in the means of production, but not as a system; power relations are the focus of disputes but not structures. As I have pointed out in Section 3.3, social, political and economic separation is part of the market rationale, which also compromises the transformative potential of the SSE. Therefore, although there are counter-hegemonic attempts in PrintCoop, they take place within the legitimised economic structure and therefore its capacity for transformation is limited. Marketisation has overcome the resistance because political insights have disappeared; PrintCoop has to both resist and at the same time act as a business.

By contrast, values of co-operative identity in GrafiCoop are immediately related with a divergent understanding of labour relationships based on solidarity and political action. It
is a collective construction that goes beyond the co-operative itself, and to what solidarity is central.

“Helping others to set up a co-op is a political action, and that is what we do. (...) In my mind, every action is political, not only those of parties. It is similar to old cooperative solidarity and the solidarity from where unions and other organisations emerged” GrafiCoop 3

“Political and productive decisions condition each other, in my view. We attempt to be part of a productive process based on solidarity. (...) We, as workers, should become subjects of social and political life in order to transform it, not merely agents. I reckon SSE is instrumental for that” GrafiCoop 4

The idea of political and economic transformation is embedded in the co-operative identity for GrafiCoop. Through co-operative action, it attempts to give rise to a social transformation similar to what unions and co-ops provoked at the beginning of the 20th century (Section 4.6). The significance of solidarity is central for this, as it calls into question individualism and creates reciprocal bonds that overcome it. The role of the crisis in 2001 in this understanding of co-operative identity is undeniable. Thus, the strong articulation between the political and the economic dimensions in the SSE is what I have identified in Section 3.5 as a strong agent of social transformation. Given this, GrafiCoop identity is an example of the SSE as an element of social innovation.

All in all, the style of the co-operative identity presents similarities and differences in Argentina and the UK. In both countries the co-operative labour form is acknowledged, which is central to maintaining co-operative ideology and values through time and during times of political pressure. However, some capitalist standpoints have penetrated this ideology. Although in both co-operatives the idea of the ‘unlearning process’ is present, still there are some elements that belong to capitalist ideology. It is also clear that the values on which co-operative identity is supported are different in GrafiCoop and PrintCoop, particularly regarding the change and intensity they aim to provoke in society.
Co-operative identity is understood in PrintCoop as an ethical labour relationship, which does not challenge the hegemony of capitalism. In contrast, the construction of GrafiCoop identity is based on solidarity and political action. Therefore, whereas PrintCoop identity provides an economic livelihood and ameliorates market consequences, the identification of GrafiCoop relies on a broader understanding of economic action that can pursue well-being and resist the hegemonic order. In order to provide a comprehensive analysis of the whole SSE, the analysis of voluntary organisations is also required, and the following three sections will discuss the role of such organisations in society.

6.3 Voluntary organisations: A trade-off between resistance and subsistence
As was done for co-operatives, an analysis of the social practices of voluntary organisations is required in order to explain whether their role as organisations is towards the palliative or alternative pole in complex societies. VOs emerged in the 19th century linked with citizenship, philanthropy and doing good for others. However, during the 20th century a tension between VO’s common good and market principles appeared. Many VOs questioned this single understanding of the practice of volunteering linked with charity, seeking to provoke a deeper social transformation than was attached to the immediate aim of the VO. Others became trapped in the practices of market competition, which provoked a drift in their mission and left them performing a palliative role (Section 3.4). Having this tension as a backdrop, the following sections discuss the social practice of volunteering at an Argentinian and a British VO, which is made up of the representations of the practice (discourses), the production of social relationships (genres), and the constitution of different identities (styles) (see Figure 2).

*From a micro to a macro analysis of representations.*
This section discusses the voluntary organisations’ discourses, and their transformations in recent decades. People involved in voluntary activities symbolise their own participation and the role of these organisations in society but also include elements of other discourses, such as the market discourse, in their symbolisation (recontextualisation see Figure 2). As discussed in Section 3.4, single function organisations provide an immediate service, which I argued chimes with a palliative role of VOs. In contrast, organisations with a dual function provide a service but also campaign for a transformation of society. Hence, I examine the function of the two selected VOs as a means to gain knowledge about their role in providing welfare and palliative services or a broader socio-political well-being and resisting neoliberalisation.

Based on the ethnographic investigation, the initial motivation of members of Culturando for participating in it was doing something for others. However, this gradually developed into a form of political action but different from electoral activity. It is important to bear in mind that the socio-economic crisis of 2001 provoked a significant growth in multiple forms of civic engagement (Section 4.6), and Culturando arose during that critical time. Its first aim was tackling the effects of increasing poverty; the organisation is located in one of the poorest neighbourhoods of Buenos Aires city and the link with the local community is central. The aim since the very beginning has been to improve the living conditions, which first was done through the provision of afternoon meals and educational support. Members are generally middle-class people, who are highly political and well educated—the large majority are primary-school teachers—, who understand their position in society as a privileged one in which they can help others. Many have already participated in grassroots organisations, mainly in relation to popular education.  

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7 Popular education articulates both the need of the poor sectors—particularly adults—in receiving education, and to be a pillar of distributing knowledge in order to build up a political popular project in which urban poor could become an organised working class and be the engine of social transformation. For more information, see Sirvent, M. T. (2005). La educación de jóvenes y adultos frente al desafío de los movimientos sociales emergentes en Argentina. Revista Brasileira de Educação, (28), 37-49.
In their own words, the reasons for individual involvement in Culturando are linked with collective participation

“Before Culturando, I had already participated in a popular school, and I was looking for places to do some social work. I’m a lawyer and wanted to give something back to society. Especially to the worst-off who doesn’t know their rights very well” Culturando 32

The case for members of CommuniRing is different, as there are no clear references to what have led them to become volunteers in the organisation. Individuals came from varied backgrounds —social work, psychology, philosophy— and their involvement in CommuniRing was said to be part of a professional career. Members are not entirely volunteers because they are ‘given a flat’, which chimes with the individual motivations identified in Section 3.4 —leisure, investment, and/or the perception of a subsequent outcome— that are not related to the transformation of society. Hence, volunteering reproduces the market rationale of the SSE as a second-best employment option rather than pursuing the transformative SSE rationality. In addition, CommuniRing’s members are not politically active as are those involved in the other three SSE organisations. According to one member:

“[I]’d done volunteering in the past, working with young offenders like in prison and stuff like that. And one thing that I was [Breaks off]. I started a psychology degree and that [voluntary work] was a preparation for work” CommuniRing 44 (paid worker)

“I did sort of charity fundraising things, part of the society done at university, in preparation for [paid] work” CommuniRing 43 (paid worker)

Based on the quotations, volunteering has become something that people do at some stage in their lives. However, along with the marketisation of the SSE in recent decades and the austerity discussed in Section 4.5, it has been transformed into a step in the professional career, something done ‘in preparation for [paid] work’ (this will be further discussed in Section 8.3). The accounts of their reasons for involvement in a voluntary organisation seem to be similar to a career description, as participants mentioned it as
part of a continuous process with different stages in different jobs. The aim of CommuniRing is to provide better living conditions to people with learning disabilities and volunteers understand this as a job. Although it aims at empowerment, no mention is made of social change. Hence, CommuniRing is a ‘single-function organisation’ pursuing only an immediate aim (Section 3.4), which I argued only allows it to provide welfare services but not well-being. Hence, the motivational scope of members of CommuniRing is narrower than for Culturando. Members of CommuniRing expressed individual motivations for involvement in a particular organisation, but do not go beyond it and its purpose.

As soon as the crisis ended, and motivated by the inclusion of non-teachers members, Culturando re-defined itself and proposed a variety of recreational activities, such as drama lessons, acrobatics, and folk music. The grassroots work of Culturando and how these activities are performed reflect the footprint left by Catholicism and left-wing political parties in the practice of voluntarism, as argued in Sections 3.4 and 4.6. As a member said clearly ‘social organisations have different underpinnings: left-wing ideology, Catholics, or Peronist’. Thus, initial personal interest for others soon became a form of political action, which emerged from a reflection on class differences and suggests the idea that Culturando represents itself as a ‘dual-function organisation’. As discussed in Section 3.4, these organisations pursue an immediate aim but also a long-term one: the former refers to the socio-economically vulnerable situation of those who live in the community, whereas the latter is in relation to a social transformation (this will be further discussed in this section under the sub-heading ‘The role of ideology in the construction of identities’). The following quotations illustrating the double function of Culturando:

“It started with educational support for children. But the idea was to see the broader picture, not just the children passing through. So we aim to include the whole family: children, parents, teenagers. And through this, change their reality doing concrete work;
understand them as peers rather than me coming here to help you. It’s a collective construction” Culturando 15

“We go bottom-up, working within the community based on assemblies. (...) And we focus on education but also other social issues, such as inequality, gender issues… The difficulty is not to end up absorbed by micro things” Culturando 26

Nowadays Culturando is not only focused on children but also organises activities for the whole community, such as trade training workshops for parents, a gender workshop, and consumer and productive co-operatives, which have intermittent activity. In addition to the immediate objective, the ulterior aim is social transformation, narrowing the gap between different social classes. Although this is a long-term objective for Culturando, it structures the discourses of the organisation on a daily basis. The range of services that the organisation provides is oriented towards transforming the whole community, rather than only children. Hence, the values behind double motivation organisations work as a shield against marketisation.

In opposition to this comprehensive image, it is difficult to make a representation (Figure 2) of CommuniRing as it has gone through a restructuring process and its representations have significantly varied. Until 2012, it was mainly a community support project, as has already been explained. However, it has recently developed new strategies and projects in which it participates, as its well-known model of community support was found to be very expensive for many local councils. These new projects are time-limited (between 6 and 24 months) and are focus-oriented in building up one skill rather than supporting people in the long term as the old model did. Additionally, and as part of that, office teams have shrunk, members had to work for more hours, and it was forced to share the office with another charity. This internal process occurred in parallel with a general professionalization of charities discussed in Section 4.5. In members’ own words:
“In 2012 we basically started to suffer the restructuring. So volunteers’ hours increased (from 12 to 17 per week), paid workers’ hours were reduced so I think they can work in more networks. (...) [CommuniRing] is leaving the original goal; I mean, [it] is now diversifying. It’s starting to work with law offenders, people with mental health issues to win new contracts because we need the money to survive as an organisation. That isn’t our philosophy, we’re setting up projects with people who don’t have learning difficulties, projects which don’t have volunteers. (...) In five years, it will be unrecognisable, it’ll be no volunteers left. It lost its specialism; it’s becoming a generic organisation”
CommuniRing 38 (Volunteer)

“It is costly to have volunteers in a flat and to pay for that. With all the cut backs that it has had from the local power councils recently, we are looking at different ways of working”
CommuniRing 44 (Paid worker)

As the second quotation illustrates, the new representation of CommuniRing has absorbed elements of the market discourse, which now became hegemonic within volunteerism (recontextualisation, see Figure 2). Not only based on the interviews but also on the observation, the use of managerial language is present at every level of CommuniRing, no matter whether they are volunteers or paid workers. During the New Labour government the idea of professionalization of charities appeared (Section 4.5), which has currently became hegemonic in VOs’ practices, expressing their resilience. Moreover, words such as ‘restructuring’, ‘specialism’, and ‘diversification’ suggest that they have become business-minded organisations, and due to a change in market tendencies, they had to modify their strategy in order to adapt themselves to new requirements. As one of the interviewees stated explicitly, this restructuring made CommuniRing lose its specialism and philosophy and is transforming it into a new type of organisation whose form is not clear yet. Therefore, managerial language has become part of the volunteering discourse as the second quotation shows: business discourse has been embraced. The marketisation of CommuniRing is evident within a wider tendency of charities shifting in the same direction.
This trend is also visible through the observation conducted in CommuniRing. I conducted the interviews in an office that was no different from any other office in the private sector. People worked at desks, one next to the other, and there was a clear hierarchical structure. In members’ own words, the difference between CommuniRing and a company is that things are more ‘relaxed’ there, there is not a ‘strong business atmosphere’ and workers wear ‘jeans, trainers and t-shirt’. In contrast to this, Culturando is an open space of roughly 100 square metres with a small stage and an audio system, which is used for performing plays and concerts. There are also some foldable tables that are used when the activity requires it, such as school support, the afternoon meal or the dinner during peñas. There is also a small library. Hence, there is no observable evidence that can link the space of Culturando with a company.

In sum, personal motivations for participating in Culturando are concerned with doing something for others, which afterwards gave rise to a collective non-party political participation. In contrast, members of CommuniRing mentioned a range of motivations resembling leisure and/or a subsequent outcome. Regarding the representations of organisations, Culturando is urged to cover very basic needs due to the context in which it operates. However, its aims go further than that and it seeks to build up innovative social relations that allow neighbours to challenge their place in an unfair social structure. This double motivation is what I identified as an intention to provoke a transformation in social reality and the provision of broader well-being. In the case of CommuniRing, the transformation towards market ideology rendered it unable to act in response to market pressures, and the restructuring it has gone through has made it loose its specifics culture and has deeply eroded its philosophy. It has a single function—improving living conditions of people with learning disabilities— which chimes with the provision of welfare services and a palliative function. After having presented the representations, the next section discuss the social relations in volunteering.

*Two models of reciprocal social relations*
This section discusses the social relations in VOs. As stated in Section 3.4, VOs can represent themselves as part of the hegemonic economy or as an alternative form of it. When this latter happens, VOs’ rationality is constructed on the value of reciprocity and solidarity. This type of social relationships arises between peers and proposes a mutual and collective transformation that counteracts the market rationality. However, when VOs represent themselves with the hegemonic discourse, social relationships are articulated on the basis of trust and confidence, which are not able to challenge the hegemonic economic system. This section elucidates the basis of the social relations in each VO, which is relevant to the exploration of their role as palliative or transformative.

Many members of Culturando explicitly said the final aim of the organisation is to create innovative links with the community and equal social relationships, through narrowing the gap between volunteers and those on the receiving end. The organisation plays a key, active role in the community, recognised by the neighbours. As an example, Culturando intervened in the eviction of 33 families from the hotel where they lived, and helped them to organise in order to get a better collective deal. Moreover, community is a complex category that involves two different groups: ‘us’ and ‘them’. Volunteers do not live in the neighbourhood, so there is a clear class difference. Although they aim to narrow it, they reflect about it and challenge the idea of colonisation embedded in this division between ‘us’, the outsiders who bring you the ‘truth’; and ‘you’ those who need to be colonised and whose culture is worthless. Only through questioning these given positions in society is it possible to change them and ‘challenge their destiny’. Hence, reciprocal relationships recognise their differences, but aim to go further than that and create a collective based on what unites them, as this quotation illustrates:

“We aim to represent community’s interests and demand that the state performs its role. We provide to the children a place where they can be children, where they can play. And we propose different rules as well, (...) Although the class difference is always present, we aim to create a community between them and us, to think us as equals” Culturando 17
Through doing this, Culturando attempts to change ‘the logic of power (…) and make recipients conscious’ in political terms. Culturando’s recipients are part of a vulnerable population that has been neglected by public institutions as well as by the rest of society for many different reasons: they are poorly educated, poor, and immigrants. In turn, reciprocal social relations challenge the deterministic destiny of social exclusion and aim to convert passive agents into active actors for social transformation. In order to do this, reflection about social differences from a reciprocal position is vital, which is linked to the social innovation elements of VOs I have presented in Section 3.5. Moreover, transformative social relations of Culturando go beyond the organisation, and in recent years the organisation has joined a political front (corriente política) that unites many grassroots organisations, and attempts to make their demands more visible on a political level. However, the decision to become part of the political front created a disruption within Culturando, as it contradicted the traditional representation of it that proposed engagement in political action not linked with political parties. Hence, a tension has appeared recently and is not resolved yet.

Social relations are different in CommuniRing. Its community model was supported by the idea that building up social relations in an innovative way would prevent vulnerable people from becoming involved in trouble. This effectively created a sense of community in which members trusted and sustained the idea that everyone has different limitations and the community can be enriched by them. However, the change in the type of projects in which the organisation became involved consequently caused it to lose its aims. This provoked a transformation in the focus on social relations as a transformative element in people’s life. Whereas in the old model social relations were the central element for improving life conditions and there was a sense of equality, the new relationship proposes building skills up and volunteers are facilitators for achieving this result. Therefore, marketisation of VOs provoked new social practices (operationalization, see Figure 2). As an example, those involved in the new projects
never mentioned the word community or referred to any collective construction. This again refers to the silence of the discourse, which will be discussed in Section 6.4. The following quotations illustrate these contradictory genres:

“One of the things that I like about CommuniRing is that you have the opportunity to really build up a relationship with people. (...) So I think that’s really valuable, but I think that increasingly the value to have somebody to fit in the community as a volunteer (...) is being lost and my role is becoming more like a key worker. (...) Now there’s more of the focus on moving people through the services. So they have this need, we’re coming and support them, and then once that’s sorted, they move on and they don’t get the support anymore” CommuniRing 40 (Volunteer)

“So it was about setting up something that was longer and giving people a long term project. (...) But now it’s changing… at the moment with the sort of funding issues with the austerity that’s going on, I feel that that network is not necessarily seen as financially viable anymore. So it’s shifting towards more of the services that where support is provided to be an hour or two a week by a paid member of the staff. And it’s looking at resolving the problem that somebody has. Not long term development of the person or providing them with… We try to provide people with skills (...) but that don’t necessarily address the long term problem” CommuniRing 43 (Paid worker)

The change in the type of projects in which CommuniRing takes part reveals the transformation the organisation has gone through; how new social practices have been embraced by marketisation. The community model pursued the construction of long-term social relationships not only between clients and volunteers but also among clients. Trust was the basis of meaningful relationships through which the aim of the organisation was accomplished, as stated in Section 3.4. Although limited, there was a collective construction in terms of the network founded on the idea that collective strength could tackle individual weaknesses. Nonetheless, the restructuring not only changed the projects but also the approach to them and neglected the British understanding of volunteering constructed during the 20th century (see Section 4.5). The new model is not
built around the value of trust; rather it is similar to an economic exchange paid by hours of work instead of money. Indeed, its limitations were immediately evident as it does not aim to tackle long-term problems nor provide long-term support. Moreover, there is no idea of collective support any more and there is no construction of social relations; skills are acquired individually. This utter transformation reveals how deeply the palliative discourse is anchored in CommuniRing, reaching the point of transforming the organisation itself and its social relations (this analysis is deepened in Section 8.3).

All in all, it is possible to establish a parallel between trust and the reciprocal social relations on which Culturando and the old model of CommuniRing are based. The place that social relations occupy is central for the success of the project; they provide a structure that supports vulnerable members and allows them to increase significantly their quality of life. Culturando, in particular, relies on an organisational model that builds up equal social relations and promotes members’ empowerment in order to become agents of social transformation. In the case of CommuniRing, social relationships worked as a safety-net that found strength in diversity, which aimed to empower people with learning disabilities to live independently. Moreover, both organisations acknowledge the differences between members and volunteers, which allow them to construct a bond that surpasses their limitations. Although to a different degree, both organisations pursued the well-being of those on the receiving end. However, the restructuring of CommuniRing changed its social relations based on trust from the construction of social relations and minimum long-term support to skill-building and time-constrained projects. Currently, the organisation only provides welfare services, which have been significantly reduced. This process reflects the general shift towards the palliative pole that VOs have been experiencing recently.

The role of ideology in the construction of identities
This section explores how the discourse of VOs constitute identities and ways of being, or styles (Figure 2). Identities are significantly shaped by ideology, they absorb values that belong to the hegemonic discourse and repel others. Hence, this section discusses the identity of voluntary work and how VOs engage with the hegemony. Originally, friendly societies and mutual aid associations were built on the values of equality and democracy, although they soon changed towards benevolence and charity and fighting against poverty at the beginning of the 20th century and political standpoints had faded over time. The identity of VOs can be absorbed by the hegemonic ideology if it identifies with market mechanisms and does not pursue a transformation of the social reality. In contrast, it can still be counter-hegemonic, in which process political standpoints and collective action become instrumental. Hence, VO identity indicates whether the role of organisations is directed towards resisting to neoliberalisation or ameliorating its worst impacts.

Although the concept of voluntary work is widely used in Anglo-Saxon cultures, it is not broadly used in Latin languages. According to Culturando, it only remains in the realm of NGOs, which ‘only fill gaps’ left by the state. In contrast, grassroots social organisations ‘aim to rethink the [social] structure’. In this vein, voluntary work is not part of the identity of Culturando when its members reflect about their practice. Instead, they refer to it as ‘a voluntary action, because it becomes your life’, ‘a responsibility’, ‘militancy’, or ‘a form of social participation based on your conviction’. They recognise their embodiment in the project, the transformation that Culturando provoked in them, and the assumption of their social role. Thus, their sense of identity goes beyond the work the organisation aims to do, and it is about the pursuit of social transformation. Some exemplary quotations follow:

“[What we do] is aligned with a social position and ideologically driven in order to make a change in society... I have a real conviction of this and I reckon our role is extremely important and needed. It is about militancy and solidarity. There is a misunderstanding if it
is understood as philanthropy. Militancy goes way beyond that and challenges power structures” Culturando 20

“My participation [in Culturando] increased gradually. (…) Nowadays, I can’t think myself without doing militancy work. It moves you away from individualism” Culturando 18

The resistance to the use of the concept ‘voluntary work’ is an example of their position regarding the dominant, external ideology. Understanding their role as a social responsibility suggests that their identification is developed in conjunction with both personal and social motivations. It is ideologically driven and is opposed to the reigning individualisation in the neoliberal context; it proposes a counter-hegemonic collective construction.

In contrast, all the members of CommuniRing interviewed identified the organisation with the concept of voluntary work. It is used extensively in British discourse, as is the idea of volunteering (Section 4.5). However, deeper layers of the identification appeared: it was generally understood as a job — paid or unpaid —, in which recompense can vary among accommodation, professional experience, or personal development. Indeed, the large majority of members of CommuniRing are paid to some extent, because of the community flat they receive in lieu of salary. Although the idea of volunteering can be questioned as no true volunteer was interviewed in this organisation, CommuniRing identification is in relation to the philosophy of the organisation, which due to the restructuring and the consequent changes in the philosophy, is undergoing transformation.

“I know there is a whole thing of the flat but it’s very different when you are a volunteer, you are actually there. [Being a volunteer] It’s not a job, it’s a way of life. (…) I think the model lends itself to only particular people applying. You should be strongly committed with the idea. It’s all about the philosophy” CommuniRing 38 (Volunteer)

“I suppose that people who do voluntary work do it for different reasons anyway. (…) People do it because they like to give something back to the community, so the
community live-in volunteers live near the members so they know the area. So it can be
of part what they are [and it’s], usually quite developed in community activism. And some
people do it because it’s good for them. It’s sort of training for them so they get kind of
skills that they could use it to get a job” CommuniRing 42 (paid worker).

In the case of CommuniRing, voluntary work is perceived as a job with a social
component given by the voluntary element and the aim of the action, although it results
in precarious labour. Moreover, the fact that volunteers are paid is not a contradiction so
much as evidence of the marketisation of voluntary organisations; charities have become
businesses, as has been argued in Section 4.5. Although members identify themselves
as volunteers because of their commitment to the philosophy, no further underpinnings
about transforming society are mentioned. This is reinforced by the idea that voluntary
work is seen as a stage in a professional career both in general and in CommuniRing in
particular. The lack of a guiding ideology favoured the restructuring of the organisation:
the philosophy of the organisation was reviewed to make it eligible for public funding (a
theme developed in Chapters 7 and 8). Moreover, as there are multiple reasons for
doing voluntary work, this is part of an individual understanding rather than part of a
collective construction. Broadly speaking, CommuniRing is an organisation that seeks to
improve living conditions. However, when the means for achieving this single aim
changed due to restructuring, this called into question its whole identity. Although the old
model of CommuniRing put forward the idea of meaningful social relationships, there
was no pursuit of collective transformation. It was about building up a supportive group
and the role of the community volunteer was central in the model. However, the contrast
with the new model in social terms is massive as it is not even based on social relations,
which reinforces the idea that the organisation has fully embraced the palliative role.
Individualisation, strongly attached to market discourse (Section 3.2) underpins the new
model, as services are hired individually. The market rationale has completely conquered
CommuniRing, and it has transformed its identity (inculcation, see Figure 2). This is a
total contrast with Culturando, where collective transformation has a central place:
“They were born in a poor family, so they can’t aspire to something different. And our aim is to transform their reality. They can move on, they can study, they can do something they like to. We want to build a more egalitarian society” Culturando 29

“Social difference between them and us is enormous; you get there in your car and they live a room with the whole family. So that makes you realise about social violence because it hits you in the face; that has transformed me. I think the aim is to generate a critical thinking” Culturando 32

Culturando is a double aim organisation: it addresses the consequences of poverty but also proposes a social transformation. As I argued in Section 3.4, these types of organisations are better protected from marketisation tendencies, which also resembles the origins of mutual aid societies and their political and economic claims (Section 4.4).

In the extracts, when participants were asked about the aim of the organisation in the long run, no mention was made of the immediate aim of the organisation. Social transformation in Culturando is multidirectional: volunteers aim to provoke a change in recipients’ minds and make them realise they can transform their reality. In addition, volunteers were transformed by sharing life experiences with recipients and became aware of limitations that the worst-off experience on a daily basis. Actions like this create the collective, as they see each in relation to the other and they view this double transformation as political.

In sum, two different identifications are constructed in Culturando and CommuniRing. In the former, members are not identified with the concept of voluntary work; instead they recognise their practice as a social responsibility that guides a process of social transformation. Whereas CommuniRing, the absence of purely voluntary activity leads us to think about the marketization of the voluntary sector. Aside from the distinction of voluntary work, it was shown that the process of identification of Culturando is aligned with a counter-hegemonic collective construction. This identity is rooted in militancy, which interlaces political action in the pursuit of achieving well-being and transforming
society. At CommuniRing, by contrast, members’ commitment was linked with the philosophy of the organisation, and as a consequence of the restructuring already discussed, members are experiencing a lack of identity. A guiding ideology is missing in CommuniRing and the identification of voluntary work is in relation to individual expectations. As a consequence, the palliative discourse has significantly transformed CommuniRing’s identity, which remained in the sphere of welfare services. In order to provide a comprehensive analysis of both co-ops and VOs, the next section analyse the SSE as a whole.

6.4 Comparing representations, social relations and identities in SSE

Having analysed the social practice of both co-ops and VOs, this section draws an overarching conceptualisation of these types of organisation, in order to answer the question about to what extent participants in SSE organisations in the UK and Argentina see them as a basis for provision of socio-political and economic well-being, or primarily economic livelihoods or welfare services. These two opposed roles of SSE organisations are framed by the transformative and palliative tension that runs through this research. The previous two sections presented the insights by type of organisation in each country; this one pulls together a cross comparison between them. Its aim is to compare the role of SSE organisations in Argentina and the UK and discuss the representations, social relations and identities.

Comparing representations in the SSE

As presented in the previous sections, discourses are the result of individual and organisational representations. The individual level in Argentinian organisations is shaped by political participation; it was the main motivation for members of Culturando and, to a lesser extent, for GrafiCoop. Individuals participate in a range of SSE organisations, which reinforces the idea that their involvement is guided by ideology. In British organisations political ideas are not anchored in political action and politics is only
recognised as a trigger for involvement in the co-op for senior members. For other members of both PrintCoop and CommuniRing participation was a stage in their professional career. Although at first glance they appear different, deeper analysis taking in consideration of their history is required. The political situation experienced in Argentina during the socio-economic crisis in 2001 might be comparable to what happened in the UK in the 1970s. It was a time of turmoil and people who had never participated in any form of political activity decided to do something on their own. The historical proximity of the crisis in Argentina might be the explanation for a much stronger radical impulse in Argentina than in the UK. The impulse to create these organisations is still alive in Argentina (see Section 4.6); meanwhile after the process reached maturity in the UK, it began to decline. Absence of political action in individual representations is partly a consequence of the depolitisation of society imposed by market ideology (Section 3.2). However, the Brexit vote or the results of the last election suggest that society is reaching a crisis with austerity, and people do not believe in the political system. Although this discussion goes beyond the scope of this thesis, the lack of faith in politics and the undermining of society open up the space for potential radical change. It could be suggested that the reaction against neoliberalisation may be different in organisations founded after the 2008 economic crisis in the UK.

Individuals that participate in SSE organisations view themselves within a social structure; if they reflect deeply on that, they can challenge and change it; if they do not, they reproduce it. With regard to the British situation, PrintCoop is concerned about ethical businesses —mainly in relation to decent working conditions and minimising pollution— and the social and economic dimensions are separated. Moreover, CommuniRing is going through a restructuring process that made it clear the organisation has become business minded. In order to fit into a market structure to win bids, it has undermined the strong philosophy of the organisation and has lost its specificity. As discussed in Section 3.4, the idea of SSE as a means to a moral and
The economic end is rooted in liberal economic theory and denies any political purpose; this accepts the palliative intention of SSE and misses its radical potential. In the same vein, the SSE has absorbed the market discourse (recontextualisation, see Figure 2). Denying the political dimension of the SSE, British organisations occupy a dominated position towards economic livelihood and welfare services, and ameliorating neoliberal impacts. Political construction is based on the idea of a collective; its absence provokes a great influence of the premise of individuality and individual entrepreneurship, which denies the central place that the collective value has in the SSE. Moreover, this leaves the SSE unable to propose alternatives to the market economy.

Furthermore, the concept of dual function organisations is useful for the analysis of Argentinian SSE organisations. In both of them, there is a first immediate aim — economic sustainability in GrafiCoop and reducing immediate social exclusion in Culturando—, and a further aim linked with social transformation —enlarging the cooperative movement and challenging an unfair social structure respectively. Whereas the immediate aim is social or economic, the long-term objective is political, which is the midwife of the radical impulse. It is not possible to say that this double function will last; however, the fact that SSE organisations are still under formation fifteen years after the crisis might suggest so. The effort of building up the SSE sector is still a part of the collective memory. Moreover, the double motivation chimes with a broader understanding of well-being, in socio-political and economic terms.

Overrepresentation of the economic dimension in British organisations puts forward the idea that market ideology has slipped into SSE Discourse, which also reduced to its minimum any expression of political action. Moreover, the social dimension in PrintCoop represents the idea of fair labour relationships and it has been resignified in CommuniRing as a consequence of the restructuring: building meaningful social relationships was transformed into providing clients with a particular skill. In both organisations, market discourse has been internalised (recontextualised, see Figure 2),
although to different extents. On the contrary, the social and economic dimensions are mutually embedded in GrafiCoop making it impossible to think of one apart from the other. These two dimensions are attached to solidarity, and it is what also makes possible the enlargement of the co-operative movement. In the case of Culturando, the economic dimension is completely underestimated, and the social pole proposes a radical transformation of social reality. Hence, market principles have moved British SSE organisations further away from the provision of well-being compared with the Argentinian, pushing them towards the palliative pole.

*Comparing social relations in the SSE*

The capacity to build up social relationships is central in a practice that relies on the collective value as one of its main features. Co-ops’ social relationships are based on co-operation and solidarity, and VOs’ on reciprocity and trust (Section 3.4). These relationships are performed towards the interior of the organisation but also towards the exterior, with respect to other organisations, institutions, and society in general. Strong social relations allow the SSE to occupy a power position, from where it can put forward a transformation of the economic structure, which provokes inequality and associates the SSE with a means to ameliorate its failures.

The interaction of SSE organisations in Argentina is made on the basis of reciprocity and co-operation that creates a positive synergy which contributes to their sustainability. Through association, organisations can minimise their weaknesses and enlarge their strengths, as well as being a recognisable organisation by society. This capacity for association challenges the external limits imposed on SSE organisations and enacts a different form of social relations that reproduce SSE values. Moreover, the expansion of the boundaries of the sector enable its enlargement in economic, political and discursive terms. Both Culturando and GrafiCoop acknowledge the significance of strengthening relations with other grassroots organisations, and have joined federations. This might be
rooted in the tradition of the SSE in Argentina or in the associative spirit that appeared with the socio-economic crisis, in which only by joining forces were people able to meet their needs. In contrast, the isolation of British SSE organisations undermines their capacity for socio-political action. The atomisation of SSE organisations is an acceptance of the external constraints imposed on the sector and reflects the loss of radical standpoints in British SSE organisations. The lack of value in collective action is a reflection of marketisation influences in the sector, which have to a different extent transformed the social relations in British SSE (operationalisation, see Figure 2).

**Comparing identities in the SSE**

Discourses also figure in ways of being, through the process of identification, something I analysed through studying the significance of co-operative and voluntary work in each organisation. The main difference that should be highlighted between the two countries is the fact that a binding ideology is stronger in Argentina than in the UK. This might be a consequence of the radical impulse of Argentinian SSE and the recent effort put into building it up (Section 4.6). The identification process is constantly dialectical, made up of several layers. Both co-ops show some elements that belong to the market ideology, such as the lack of ownership and involvement; however, co-operative ideology still works as a shield. On the contrary, the presence of market principles in CommuniRing is greater; they have penetrated to such a great extent that it has lost its identity (inculcation, see Figure 2). It has sold its identity to market principles in order to enable it to survive economically. Market discourse has permeated the social practices of professionalization of VOs. In contrast, identity in Culturando is ideologically driven, built up on principles where neoliberalisation seems not to have penetrated. This is an ideological process: the elements that contribute the most to this success are a strong and untied collective and the vindication of political claims. Moreover, a collective destabilises the individualisation that reigns in modern societies and builds up meaningful social relationships.
I would hypothesise that these two opposite directions of travel in the general movement of SSE are not unique to the selected organisations; but are part of a movement in each country. On the one hand British SSE organisations have been experiencing an erosion of political principles (Section 4.5). This caused SSE to lose its radical element: market discourse is barely confronted, individuality is accepted, and a move towards marketisation is the current reality. However, having a system of values and principles that work as a shield against marketisation has maintained the difference between co-ops and voluntary organisations. At the extreme, CommuniRing pays its volunteers as a vivid example that it has moved towards marketisation and the provision of welfare services. On the other hand, market ideology provoked a de-collectivisation of Argentinian society during the 1990s but the socio-economic crisis had a boomerang effect. The effects of the crisis could only be tackled collectively, as shortcomings were greater and resources very limited. Hence, political action is deeply embedded in SSE in Argentina, which provides a broad well-being and aims to transform the hegemonic structure.

6.5. Conclusion

In this chapter, I provided an analysis of the social practice of the SSE organisations regarding to what extent participants in SSE organisations see them as a basis for resistance to neoliberalisation, providing socio-political and economic well-being, or a means of ameliorating its worst impacts through providing economic livelihoods or welfare services. For each type of organisation, their points of resistance and submission to the palliative—transformative have been outlined. As pointed out theoretically (Section 3.4), this chapter provides evidence that the SSE discourse is the result of an ideological struggle between SSE and market principles, and traces of both have been identified and detailed in the analysis of organisations. The role of the political dimension is instrumental in the transformative role of the SSE (Section 3.5). It was noticeable that
respondents in Argentina were much more likely to link their participation in the SSE with a political motivation. Moreover, contradictorily, British interviewees had a highly politicised and critical interpretation of current economic events, greater in PrintCoop than in CommuniRing, while they appeared to accept the market ideology in terms of their interpretation of their workplace. This suggest that political action does not translate into political ideas in the UK, whereas this articulation looks straightforward in Argentina.

Moreover, I also pointed out in Section 3.2 that the separation of the social and economic dimensions was a feature of market ideology, in opposition to SSE principles. In both British organisations, the economic dimension is overrepresented in comparison with the social. I have shown that the SSE is shaped by market economic principles in reality, which does not allow a real confrontation of this ideology. The smaller impact of the market rationale in Argentinian organisations might be explained by the fact that the memories of the crisis are still fresh and resistance is vivid. In the UK, although there are elements of resistance and history and idealism in people, the market discourse is much stronger. However, although this is not the focus of this research, political events in the last years, including the Brexit vote or the recent election results can suggest that society is reaching a crisis through austerity, and people no longer believe in the political system. If this were the case, perhaps a similar crisis to the one that Argentina experienced in 2001 is about to happen in the UK, which could create more radical potential. This is a possible topic for future work.

In addition, British organisations are poorly connected with other organisations. In the origins of the SSE, organisations relied on their connection with others; it was the core of their power. Fragmentation is also attached to the market values, as I pointed out in Section 3.2, and isolated organisations are more permeable to the hegemonic discourse. In contrast, Argentinian organisations are well connected and federations have been created with political purposes, such as FRGC. During the economic crisis many were founded (Section 4.6), which were instrumental in ensuring ventures’ sustainability. This
chapter drew particular attention to the analysis of the role of SSE organisations in the 21st century and found the main differences between British and Argentinian SSE are given by their political action and collective formation: these are what prevent SSE discourse from becoming absorbed by neoliberalisation. Particularly Culturando to a greater extent and GrafiCoop to a lesser extent are both made up of strong collectives with powerful political underpinnings. These two elements are present in PrintCoop to a lesser degree and are absent in CommuniRing, which led the organisation to lose its principles and to perform a complete submission to market ideology. Broadly speaking, it is possible to say that organisations in the UK are keener on providing livelihood and welfare services, which I identified with the palliative role, than in Argentina. Finally, the Argentinian cases have proved the role of a binding ideology in conserving the SSE principles.

Having presented the palliative and transformative tension at the level of organisations, it is time to see how public policies understand the SSE within this tension. Hence, the next chapter will deal with the articulation between government structures and SSE and the influence of market discourse over both of them.
CHAPTER 7
PUBLIC POLICIES AND THE SSE

7.1. Introduction
Relying on the analysis provided about the role of SSE organisations in the previous chapter, here I discuss the relationship between the SSE and two public policies, one in Argentina and another in the UK. In recent years, the SSE gained notoriety mainly as a consequence of government support for facilitating the provision of public services or working as a means for work integration (Section 4.4). Particularly in the UK, the government has encouraged and supported the SSE due to its local roots and its entrepreneurial capacity, which after the last financial crisis appeared to provide solutions previously covered by the welfare state (Section 4.5). By contrast, in Argentina, the government has relied on the SSE as a means of clientelism, or a mediator between the government and the population (Section 4.6). Having as a backdrop the palliative—transformative dichotomy discussed in Section 3.4, in this chapter I address the issue of whether public policies supported the SSE in order to empower their organisations or to limit governments’ own responsibility for welfare. Public policies were discussed theoretically in Chapter 4; this chapter discusses how SSE organisations responded to the Big Society (BigSoc) in the UK and Kirchner policies in Argentina and their macro-views about the SSE in the four organisations in which I conducted my fieldwork.
Furthermore, I have argued in Chapter 4 that, despite the fact that Argentina and the UK have diverse historical backgrounds, both countries have been exposed to similar global trends with regard to the utilisation of the SSE in the interests of the hegemonic economic discourse in recent years. The theoretical analysis of the Kirchner era policies (Hands to Work, the Self-managed Work Programme and Argentina Works among others) in Argentina, and the Conservative rhetoric of ‘the Big Society’ (BigSoc) in the UK have exposed that these policies shared a rhetorical empowerment of the SSE and a practical palliative utilisation of the sector’s resources for cushioning the impact of neoliberalism. Concomitantly, these policies have neglected the traditional values of the SSE, such as solidarity, co-operation, and social justice, which were instrumental in its origins. The analysis is based on two sets of policies that had no connection; therefore it is not possible to compare them. Rather, I will analyse each one, stressing the strong parallels between them. Given this complexity, this chapter navigates through the responses done by SSE organisations to the public policies targeted at the SSE over the last 15 years in Argentina and the UK in order to reveal to what extent the policies sought a shift towards the political or economic ends of marketisation. The analysis follows CDA approach (Section 5.4), and the reporting of results is structured according to Fairclough theoretical model, exposing how public policies have modified the representations (discourses), social relations (genres), and identities (styles) of the SSE (see Figure 2). As stated in Section 4.4, this empirical analysis only can shed light on how SSE organisations understood these policies (micro-paradigm) and, in particular cases, it is possible to reveal some elements of the transformations in the models of welfare state provision (meso-paradigm).

The chapter is structured in three sections; Section 7.2 deals with the articulation between public policies and co-operatives, while Section 7.3 reveals how VOs

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Kirchner’s governments developed a range of policies that had the SSE as a focus. To simplify, they will be referred as ‘Kirchner era policies’.
responded to them. Finally, Section 7.4 proposes a discussion by country, understanding the SSE as a whole and contrasting the similarities and differences between the two countries. Within each of these sections, representations, social relations and identities are analysed. The analysis of SSE representations exposes how the institutionalisation of a new public policy affected SSE organisations and their resistance or submission to it. Transformations in social relations are explored as a consequence of these policies; the tension between invited and popular spaces for participation (Cornwall 2004) and the process of institutionalisation of social practices, are both discussed theoretically in Section 4.5 and 4.6. Finally, the analysis of identities revolves around how the institutionalisation of a new discourse in both public policies figures in ways of being and constitutes identities in the SSE according to the new role allocated to it. On the basis of this summary, Section 7.2 discusses the transformations that occur in co-operatives as a consequence of the institutionalisation of a new discourse in public policies.

7.2 The articulation of public policies and co-operatives

The co-operative movement as a social practice is linked with the history of the country (Chapter 2), the contradictory theorisation of the SSE (Section 3.4) and the public policy discourse developed in each country (Chapter 4). As argued in Chapter 4, market discourse and austerity provoked a set of public policies in Argentina and the UK that shared a common approach to the use of the SSE in the interests of the neoliberalisation as a means to alleviate capitalism’s undesired consequences. Having this backdrop, the next three sections describe how the public policy discourse articulates with worker co-operatives in each country with regard to their representations (discourses), social relationships (genres), and the identity that practice produces (styles). In particular, the following three sections analyse to what extent co-ops could remain autonomous from the government, the formation of their social relations in public participation as top-down or bottom-up, and if they were able to accept or reject the identification imposed on the
two working co-operatives in Argentina and the UK. I aim to discover whether public policies have sought to support the SSE and empower citizens in transforming the economy or have been an attempt to limit state’s responsibility for welfare, using the SSE merely to ameliorate the worst consequences of capitalism.

*Autonomous or dependent? Representations of co-ops*

As argued, public policies in Argentina (Sections 4.6) and the UK (Sections 4.5) worked as a means for co-opting the SSE to serve the government own political interest and as a substitute for the public-funded welfare state. In the next paragraphs I scrutinise if the co-op movement could remain autonomous from these policies that opposed its own interest, or they changed their representation as a consequence of these policies, and becoming dependent on the government. The analysis of autonomy is done according to Böhm et al. (2010) theorisation discussed in Sections 4.5 and 4.6, as independent from capital, state, and hegemonic discourse.

In the UK, the discussion of the BigSoc divided the co-operative movement. Those more positive minded have prioritised the outcome that BigSoc could bring, becoming part of the mainstream economy. Some members of PrintCoop who mentioned the benefits of BigSoc referred to the growth that the SSE has experienced as a consequence of the Social Value Act (2012). This could consequently lead to more people paying attention to the SSE, which within a few years could encourage those dissatisfied with capitalism to do businesses in an associative and egalitarian way. Nonetheless, these views were in the minority. Sceptics saw BigSoc as a continuum of Margaret Thatcher’s ‘there is no thing such as society’ (1987) carried out in a continual and consistent way first by the Labour and then by the Conservatives. They see BigSoc as an ideological ‘smokescreen’ to conceal the cuts to social services. Furthermore, this move was seen as a step forward in the neoliberal agenda; it uncovered ‘individualism under the guise of community (…), it placed responsibility on individuals [as a consequence of] the deficit
that’s been left by the dismantling of the welfare state’, as one member said. According to PrintCoop members, ‘BigSoc was just about volunteering’ but the co-op movement ‘is nothing to do with the government BigSoc, it is more radical than that’. As BigSoc did not explicitly mention the co-op movement specifically, it did not claim a position, and the understanding of the policy remains a personal matter. As a member of PrintCoop said to me, the movement remained politically neutral and expressed no contestation with what the large majority of the movement considered as part of the neoliberal agenda.

“[The co-op movement made] no direct contestation [about stopping BigSoc agenda] except from some parts. Except from the more radical ends. As the mainstream of the cooperative movement is politically neutral deliberately, it’s always politically neutral. (…) The cooperative movement is part of a movement that has to combat neoliberalism but it can’t articulate it on its own because it doesn’t explicitly identify itself as a kind of work. I mean it’s part of a working class in this country, even though it is, it isn’t identified politically… So that can make it difficult” PrintCoop 33

The division within the movement with regard to the BigSoc may be rooted in the strong autonomist representation of the sector with regard to the government, recalling also the original values of co-ops in the 19th century (Section 4.5). Although a member of PrintCoop recognised that ‘It would be great if government recognises the co-op business model in some way and then [gives] some tax breaks’, this person also said ‘I wouldn’t hold my breath’. Therefore, the movement remains autonomous, and this autonomy is the cornerstone of an independent representation of PrintCoop, as ‘government support (…) always comes with an ask’. It acknowledges the palliative intentions of the government with regard the co-ops, and rejected being part of the policy, defending its own values. As pointed out in Section 4.5, autonomy was the result of three elements: independence from capital, the state, and the hegemonic discourse (Bohm et al., 2010). In the case of PrintCoop, the absence of an alternative position to the hegemonic discourse is the missing aspect of a tri-polar autonomy. It does not perform an entirely autonomist representation because it has absorbed the market
discourse, which chimes with PrintCoop’s representation as a business, pointed out in Section 6.2.

PrintCoop received public funding at its foundation, more than 30 years ago, which was part of central funding for cooperative development by the Labour government, and that type of funding ‘finished really in 1991’ as part of Thatcher’s cutbacks (Chapter 4). It also received funding from a European Union programme in 2000, which was not particularly for co-ops, but rather for small businesses. Moreover, PrintCoop has been contracted by the government in some cases, based on competitive bids, as someone explained me: ‘We compete with other businesses for business from government, so we tender for business, we pitch, we fight, and we get some work’. This is part of the marketisation of the SSE, which makes it equivalent with any other type of business. Government does not recognise the added value that SSE brings to society, and pushes its organisations to become business-minded and to adopt the market discourse. As a consequence, co-operatives have absorbed this government’s practice and incorporated bids as part of their practices (recontextualisation, see Figure 2). However, reasons for refusal of government support were not shared by the members I interviewed. On the one hand, some said to me that comparing PrintCoop with other printing co-operatives set up in the 1970s, PrintCoop had been able to survive all these years due to their ‘strongly autonomist sensibility’ regarding government or public institutional funding. ‘Government money comes, government money goes, and we need to be able to look after ourselves’, said someone else. This idea is rooted in the independent spirit of the co-operative movement. However, other members said that they do not receive government support because they are a business rather than a charity. Contrary to the previous justification, this sense of independence results from the absorption of the market ideology, reinforcing the idea of making co-operatives equivalent to private companies, as this quotation illustrates:

“We are a commercial business, we are not a charity, and we are not any third sector
organisation that gets support [from the government]. We sometimes qualify as a social enterprise but I think the government definition of social enterprises is that at least 51% of your income has to be generated from commercial work but ours is a 100%” PrintCoop 35

As discussed, public policies institutionalised in Argentina after the socio-economic crisis of 2001 were part of the neo-developmental synergy and the pink tide transformation that occurred right across Latin America (Section 4.6). The government identified productive SSE ventures as a means for social inclusion, which was also identified in Section 3.4 as part of the palliative approach. This was a change in public discourse compared with previous governments; nonetheless, the attention that the co-op movement attracted was a consequence of the strength it showed in dealing with unemployment and social exclusion in the aftermath of the economic crisis. These two sides of the coin were acknowledged by members of GrafiCoop, as one said, ‘This government (Kirchner’s) has focused on things that were neglected before. It has favoured co-ops greatly, but it was because co-ops were a means to reduce the economic mess left by neoliberalism’. Hence, the Kirchner governments institutionalised a new discourse with regard to the co-ops, although it did not became hegemonic. For this reason some members of GrafiCoop expressed their concern about who might win the elections in 2015\(^9\) and the consequent changes in public policies. Some members of GrafiCoop understood the movement had not prepared for a political move to the right during the 12 years of a favourable government for co-ops. This view reinforces the understanding of the policies presented in Section 4.6: co-ops have compromised their autonomy in exchange for financial and technical support, which has led them be vulnerable to political change. They could barely represent themselves differently from the government’s representation of them: they accepted it and present themselves according to the government’s expectations. Policies focused on co-ops were welfare-for-work programmes that sought

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\(^9\) The fieldwork was conducted months before the Presidential election in 2015. The two main candidates were Daniel Scioli, who was presented as the Peronist candidate who would continue the Kirchner’s model, and Mauricio Macri, who was the leader of a right-wing coalition party. Macri finally won and has been the president since December 2015.
to reduce unemployment rather than strengthening the co-op movement, and co-ops accepted this. As one member reflected:

“Government interest [in co-ops] responds to the situation. (...) Government is very patronising with the sector and no major policies have been developed in order to foster it. Programmes have been palliative, there is no real change” GrafiCoop 8

In addition to the policies that sought to create new co-ops, local and national governments have prioritised the allocation of work in co-operatives, which provoked a significant dependence on public funding. Recalling the theorisation of Bohm et al. (2010) presented in Section 4.6, GrafiCoop represents dependence, as it is not autonomous from capital, nor the state, although it adopts an autonomous discourse about the role of co-ops as socio-political self-managed organisations rather than businesses (as discussed in Section 6.2). As part of its dependence on government, GrafiCoop receives work deliberately allocated to the FRGC by the government. As one member said, ‘If the government changes, the work that FRGC receives will decrease, and consequently we will get less work as well’. On this point, the populist style of politics is unquestioned: the government’s discourse about the co-ops as a second-best option in terms of employment provision is accepted by GrafiCoop. Although it proposes an autonomist understanding of co-ops as organisations, they cannot act in pursuit of that despite acknowledging it rhetorically, as the following quotation shows:

“[The government proposed] a fair capitalism, an up-to-date welfare state. Within this framework, the SSE has one single purpose: being the entrance to the employment market and reducing social exclusion. That is the space left us by the government. (...) There are no lies, no deceptions. (...) However, we are not interesting in reintroducing the excluded of capitalism, inserting them back into the system and thinking our job is done. We don’t provide cheap labour force for big companies. (...) We’re an alternative economic model” GrafiCoop 4

As with PrintCoop, GrafiCoop also received public funding at its foundation, money that
was used to set up the co-op. Currently, co-ops cannot access private funding, which reinforces their dependence on public money as the only way to make major investments (this will be discussed further in Chapter 8). Nonetheless, this dependence raises the question to what extent the sector can thrive an alternative role when it depends so heavily on the government. This support can be financial or political, which recalls the idea that not only economic support is needed for the success of a project. In this sense, although GrafiCoop has not recently received funding from the central government, it receives considerable political support.

All in all, in both countries an institutionalisation of a new discourse occurred 15 years ago that focused on co-ops. Far from being naive, PrintCoop and GrafiCoop have acknowledged the ulterior motive in presenting the SSE as a means of amelioration of the consequences of capitalism, and public policies as a way to transfer public responsibility for welfare to the SSE. Despite this similar attitude, they represent themselves differently with regard to public policies. PrintCoop performs autonomously, with no links with the government other than a few jobs received after a bid. For some members, this attitude is partly rooted in the co-op tradition, one of independence from state’s structures, although conversely for others it is a consequence of the co-op as a business. This latter representation is attached to the market discourse that has become dominant in the UK. In contrast, GrafiCoop is significantly dependent on the government in political and economic terms. It considers the co-op movement as not strong enough to face a change in the government, as many co-ops have not developed their commercial links sufficiently to survive in adverse circumstances. This is an example of the populist discourse of the SSE outlined in Section 4.6. This section has dealt with the transformations in co-operatives’ representations as a result of the institutionalisation of new public policies; the next one describes how they have changed in terms of their social relationships.

*Differences in top-down or bottom-up public participation*
I have argued in Sections 4.5 and 4.6 that public participation can be the consequence of top-down or bottom-up actions, which has been theorised by Cornwall (2004) as *invited spaces* or *popular spaces* in public policies. In spaces of public participation created by invitation government generally sets the limits and duties, whereas those created from the bottom-up allow space for counter-hegemonic forms of participation. These two opposing directions of public participation, linked with the palliative and transformative dichotomy are explored in the two co-operatives under study.

In the UK, the inclusion of the SSE as a public services provider in a realm that previously belonged solely to the state provoked an institutionalised isomorphism, which led to the blurring of each sector’s boundaries and the confusion of state and market. As discussed in the previous section, co-ops were invited to participate in the BigSoc, which was debated within the movement; BigSoc was an *invited space* for co-ops’, whose purpose was that they became involved in community issues (see Section 4.5). This invitation was rejected by the movement, as it considered its own values were not represented in the policy. As I was told, ‘On the whole, the coop movement just decided to ignore it. We didn't use the [BigSoc] language’. Thus, the British co-operative movement remained on the fringe of the BigSoc, mainly for critical reasons. The social relation between the co-op movement and the government was a non-relationship. Therefore, the government invited co-ops to take part in a policy according for its own purposes, and the co-op movement ignored it as the policy did not take into account its values, as this quotation shows:

“The coop movement didn’t want to be seen to be in favour of the reduction in the amount of resources that was going into [breaks off] by competing for government contracts. (…) The cooperatives have a role if there are needs, very social needs. But it is very difficult because you could say cooperatives could be seen as part of this privatisation. (…) It is true the cooperatives probably could provide very efficiently as they do literally in another countries, could provide very efficient services, but it has to be funded properly, it has to
Moreover, as someone reflected, co-ops cannot be created out of government action, as they can only emerge from those interested in being part of them: ‘The idea of co-ops as being part of the BigSoc… I think government can’t start co-ops, co-ops can only be started by those who see a need in the market or a need that is not fulfilled and collectively decide to start that’. Public policies could encourage the creation of co-ops, but the commitment of those who are part of it is central to the success of the organisation, in which solidarity becomes instrumental. As argued in Section 3.4, the significance of the ‘C’ factor —co-operation, communitarian spirit, and collective initiative— emerges from the group itself and is what challenges the hegemonic economic discourse and positions co-ops as a means of resistance.

As a continuation of the dependent representation of the co-operative movement in Argentina, the social relations that it establishes with public policies are part of a populist framework. As pointed out in Section 4.6, after the 2001 crisis the whole SSE bloomed, particularly worker co-ops, as a way to address unemployment and social exclusion. The most significant feature of this process was the bottom-up direction of all these forms of social mobilisation. Worker co-ops appeared as popular spaces in which people met their own needs through solidarity and mutual aid, and there was no link whatsoever with state’s institutions. The initial reaction of the government with respect to this large, self-managed, rebellious, autonomous social movement was to discourage it. Social mobilisation was severely repressed during 2002 and 2003, until two unemployed movement activists were killed by the police in a riot in June 2003. This event was a breaking point for the government, which had to call an early election, and also shaped the relationship between social movements and the Nestor Kirchner government. In order to restore stable government, the strategy with regard to social movements changed dramatically, as this member of GrafiCoop states:
“When social movements gain so much power, governability is impossible… and some social sectors that could join a progressive government appeared. If Kirchner’s government hadn’t integrated the social movements (and the SSE), the crisis would have been repeated over and over again” GrafiCoop 4

Therefore, as a result of the situation and due to political and economic pressure, Kirchner government decided to incorporate social movements into its sphere of influence, and proposed co-operatives’ role as an alternative for regenerating the economy and reducing unemployment. Although the government could not convincingly propose such a distorted representation of SSE and cooperative values, it adopted the idea of a second-best employment option, linked with the palliative role of the SSE (Section 3.4). In the first instance, the Kirchner government was forced to take SSE values into account. However, the government shifted towards a palliative understanding of the sector when co-ops were identified as reducing unemployment, reflecting the government’s populist standpoint. Moreover, given the dependent representation of the co-op movement, it accepted a dependent social relationship. As one member of GrafiCoop expressed it, ‘Social movements that appeared in 2001 do not exist anymore. (…) They have been assimilated by other institutions’.

The institutionalisation of the co-operative movement within the state sphere responded to a populist policy, which led the movement to be trapped in the space left by the government since it has resigned its autonomy. In this vein, and despite the fact that members of GrafiCoop have a dependent representation, they call on the government for policies that take the co-operative movement’s interests into consideration. Although ‘the government has many policies [focused on co-ops], they do not transform people into cooperative activists; they just help to keep the system rolling’. Thus, the co-operative movement is demanding that the government produce ‘activists’, which members of PrintCoop well acknowledge it cannot occur in a top-down way. Hence, the Argentinian co-op movement shifted from a popular space of public participation after the crisis,
which gave it the chance to avoid neglect, to a complete social relation of submission, calling on public policies according to the co-ops’ own interests. In contrast with the political standpoints the role of the co-op in society discussed in Section 6.2, there is no political contestation with the government and the role it proposes.

Furthermore, GrafiCoop has also participated in the Microcredit programme\(^\text{10}\), a policy focused on giving funding and supporting small businesses that are not eligible for private funding, mainly in the informal economy. I have argued elsewhere (Raffaelli, 2016) that this corresponds to the general acceptance of the role allocated by the co-operative movement intertwined with the populist model of the SSE that does not challenge the constrained limits that the government sets for it (Section 4.6). The policy was understood by GrafiCoop members as top-down and serving the purpose of assisting those who could not access private finance. Contradictorily, they express counter-hegemonic reasons for having taken part in the policy, such as persuading small precarious businesses to become a co-op. Nonetheless, members of GrafiCoop have realised that the policy was a strategy to formalise informal work through social assistance, reinforcing the institutionalisation of the co-operative movement, the discouragement of its radical elements and reproducing the palliative discourse of the SSE.

In sum, the autonomous representation of PrintCoop allowed it to remain on the fringe of the BigSoc in a non-relationship with it, despite the fact that the co-op movement was invited to take part in the policy. The government’s intention in including co-ops in the BigSoc was mainly ideological, and despite the positive outcome it could have had for the sector, it prioritised its principles and took no part in a policy driven by neoliberalisation. Moreover, it was acknowledged that co-operatives cannot be created top-down and that the capacity to cooperate needs to emerge from the group itself. In

\(^{10}\) The programme had a pyramidal structure: the government granted the resources, a grassroots organisation was in charge of allocating and managing the credits, and recipients were at the base. GrafiCoop acted as mediator and channel the funding.
contrast, GrafiCoop is part of the social movements that irrupted bottom-up as a space of popular participation, and in order to minimise contestation in a situation of crisis the government took their demands into account. This set the boundaries of the sector as part of a populist state, which constrained the co-operative movement in two ways. First, the co-ops accepted the space allocated to them and their role as alleviators of market consequences, despite being rhetorically critical. Second, co-ops had to resign their radical demands when they accepted to participate in the public policies—which diminished their political commitment—and asked the government for policies that represented their own interests. As a consequence, it would be difficult for them to survive in the case of a right-wing government. All in all, PrintCoop rejected the invitation to join the BigSoc, as it responded entirely to the government’s interests, whereas Kirchner policies were a consequence of popular participation, although they were effective in co-opting rebellious organisations, such as GrafiCoop. To take the discussion further, the next section discusses the constitution of co-op’s identities in the framework of these public policies.

**Best practices or empowerment strategy?**

The process of identification of co-operatives, in which styles are constituted (Figure 2), is part of the struggle between the hegemonic and counter-hegemonic discourses with regard to the role of the SSE (Section 3.4). It has already pointed out (Sections 4.5 and 4.6) that both Argentinian and British governments have used the SSE for the ends of neoliberalisation. Nonetheless, it is worth questioning how the SSE, and particularly co-ops, identified with these policies and whether the government opened up spaces for expanding the SSE or whether the policies were pure rhetorical and attached the SSE to palliative functions.

As I have already described, PrintCoop represents itself independent of the BigSoc. The
policy was mainly focused on volunteering and ‘getting people to be aware they are architects of society’ rather than co-ops, and hence they never felt included into it. Moreover, BigSoc was not in itself a bad thing; the concerns appeared when the concealed meanings became revealed, when it was ‘implemented basically as a way of cutting public spending’. Moreover, although the policy relied too heavily on the SSE, ‘they [the government] probably do not know what social economy is’. Hence, this quotation reveals the identification of BigSoc made by the members of PrintCoop:

“[It was a] cost-cutting exercise so there is no money either to pay people to do things, you can make them believe that they can be part of something, as volunteering builds up experience to come together and achieve something” PrintCoop 35

Therefore, although it was presented as a policy that encouraged citizens and organisations to create their own society in which they want to live, this was a reinvention of philanthropy rather than cooperativism. According to one of PrintCoop’s members ‘the idea of groups of people coming together under one banner and paying themselves the same wage, it’s not really government politics’. Moreover, the fact that BigSoc ‘came through very quickly’ and no one in the government currently speaks about it, leads us to think the change was only rhetorical. Nonetheless, the question about the impact it might have had on the British co-operative movement still remains. Some members of PrintCoop consider the BigSoc disempowered the SSE ‘completely, except for charities’ as they could rebrand themselves as consultant businesses, which will be discussed later. The government’s ultimate intention remains uncertain; nonetheless, it is generally believed among members of PrintCoop that BigSoc was a best practice cover for cost reduction rather than an attempt to empower citizens, as it was initially presented. Hence, they identified BigSoc with the neoliberal agenda and a palliative role of the SSE in opposition to co-op values, and decided a de-identification with the policy. In their own voice:

“Perhaps the people who wrote it [BigSoc] really thought it was going to empower people.
It's hard to say. But, I mean, that definitely wasn't the result. There is enough [...] to say that it probably didn't aim to empower people” PrintCoop 46

In Argentina, policies focused on the co-ops were a consequence of the economic crisis and the appearance of social movements demanding a transformation in social relations. As someone said, ‘The crisis set up the maximum level of exploitation tolerated by the population’, which can be supported by the historical account of the crisis described in Section 2.4. The administration of policies depended on a range of intermediary institutions, which provoked a variety of outcomes ‘depending on [what] federation was in charge of administering’. The state structure was also part of the crisis, and during that time while ‘everything was on fire [policies focused on co-ops] worked as a palliative. (...) I want to believe it is now an alternative, although I think it is only for this government, and no other party would see it in this way’. According to this quotation, policies focused on co-ops resulted from the need but were implemented in a populist way, and members of GrafiCoop are in the process of re-identificating them. They also have the impression that government’s identification with regard to co-ops is mainly as a second-best option of employment, which is accepted by a proportion of the movement, as this quotation shows:

“Co-ops are not seen as businesses, they are still seen as organisations that help to tackle the consequences of neoliberalism. (...) It was a kind of cooperative spring, many co-ops appeared, and even we benefited significantly from the situation. But many of them are about telling a good story. The construction of an economic subject with a broader understanding of the economy is still missing” GrafiCoop 8

Whereas the co-operative movement has received support from the national government, the relationship with the government of Autonomous City of Buenos Aires (Ciudad Autónoma de Buenos Aires, CABA)¹¹ is more difficult due to its conservative

¹¹ Mauricio Macri was the former Mayor of Buenos Aires city before becoming President in December 2015
ideology. Although there were two departments within the local government, one for Solidarity Economy and another for the self-managed economy, the co-op movement has never identified with either. Through them, the government seeks to enhance entrepreneurship, mainly from an individual point of view. This identity contradicts the movement’s principles, as it only focuses on the economic side of the cooperative activity, but not on the social aspect, and the significance of the interlacing of these two has already been discussed. This co-op identification is rooted in the values of the market and responds to the market identity outlined in Section 3.2 and is opposed to the co-op principles (Section 4.6). In this vein, CABA government policies do not empower the co-operative movement. Regarding the national government, those co-ops that accepted the identification as mediators between exclusion and employment are empowered on the government’s terms, although it is not the case with GrafiCoop, as they understand empowerment in a broader and independent sense. Despite the fact that this identity contradicts the dependent representation and social relations stated before, this is how they understand it:

“[For the government] we’re a bridge from unemployment to employment, that’s it. (…) Thus, those organisations that accept that go well and don’t empower themselves. (…) Empowerment is becoming a socio-political actor, and that means state your own empowerment; it is not something that someone can impose on you” GrafiCoop 4

All in all, in the UK, co-operatives did not identify with BigSoc, as they understood it was mainly directed to persuade other SSE organisations about working in partnership with the government. The co-op movement decided to stand by their own values and not participate in it, despite the fact that it could have helped to develop public services more efficiently. The movement prioritised its own interests and principles and remained detached from a policy that was understood as neoliberal and ideological to justify the dismantling of the welfare state. This transformative identification is aligned with the autonomous social relations and representation that the co-op movement made about
itself. In Argentina, co-ops are constantly in tension between accepting and rejecting the identification that local and national governments have created for them. National government understands co-ops as a bridge that helps to reintroduce unemployed and excluded people into the mainstream economy. As part of this palliative understanding, many policies have been developed, such as Hands to Work, the Self-managed Work Programme and Argentina Works. The identification of the co-operative movement made up by the CABA government chimes with the neoliberal idea of the economic man who, moved by his rational self-interest, decides to set up a business, an idea opposed to co-operative principles. Given the dependent social relations and representation that the Argentinian co-operative movement has with respect to the government and the populist SSE, it cannot develop its own identification independently from what has been imposed on it. In sum, no public policy sought the empowerment of co-ops, which was acknowledged by PrintCoop leading into it reject its participation. Meanwhile, GrafiCoop oscillated between accepting and rejecting the identity imposed by public policies.

Having discussed the link between public policies and co-ops, the next section discusses the responses of VOs to public policy.

7.3 The articulation of public policy and voluntary organisations

Following the same structure s in the previous section, subsequent paragraphs analyse the social practice of voluntary organisations and their relation with public policy over the three-layer model of *discourses, genres* and *styles* (Figure 2). This social practice is the result of the history (Chapter 2), the particular understanding of the SSE in relation to the immanent tension identified as constitutive of it (Section 3.4) and the discourse with regard to the SSE in each country. I argued in Sections 4.5 and 4.6 that the policies developed in recent years have understood the SSE as a way to counteract the effects of neoliberalisation in the two countries analysed. Hence, in this section I explore whether public policies have tried to empower VOs or used them as a means of reducing
the impact of the withdrawal of the welfare state. The next three sections discuss the articulation of public policies with VOs, with regard to their autonomy, the direction of social relations in public participation as top-down initiatives or bottom-up counter-hegemonic actions, and the absorption of some values linked with the identity that public policies aimed to impose.

The impact of public policies on VOs’ representation

The institutionalisation of a new set of policies shaped a particular representation of VOs, which imposed a hegemonic view of them and was adopted to different extents by VOs (recontextualisation, see Figure 2). I argued in Sections 4.5 and 4.6 that public policies in Argentina and the UK imposed a hegemonic representation of the SSE as a means of ameliorating the consequences of neoliberalisation. Hence, I explore whether VOs are autonomous with regard to the public policies, using the theorisation of autonomy proposed by Böhm et al. (2010), as independent from capital, the state, and the hegemonic discourse (Section 4.5 and 4.6), and to what extent VOs’ representation changed according to the enforcement of BigSoc and the Kirchner era policies.

I argued theoretically in Section 4.5 and empirically in Section 6.3 that the BigSoc was the continuation of a political shift started by New Labour, which proposed the SSE as a sector able to provide services previously covered by the state. This discourse, in which the SSE—and VOs in particular—work in partnership with the government, soon became hegemonic. However, the motivations of the Labour and Conservative governments are represented differently by members of CommuniRing. According to them, whereas New Labour introduced the change in policies driven by the aim of ‘giving money more effectively’ and installed the idea that ‘more specialised organisations can do the job better’, the Conservatives focused on VOs as a strategy for ‘driving costs down’ and introduced competition ‘into what was traditionally a public sector of care’. In this sense, the two can be understood as part of the same process, which represented VOs as closer to the market. In contrast to the way in which the possible drawbacks and
advantages of BigSoc were joined in co-op movement respondents, members of CommuniRing I interviewed understood the policy negatively. Thus, the New Labour government triggered a twofold transformation of VOs’ representations. First, they became professional as part of the new requirements the government asked of them, and second, they appeared as a cheaper alternative for providing services as ‘outsourcing things probably saved them [governments] money. They don't have to worry about training people’. The new public discourse about VOs can be summarised as follows:

"Local government realised that it is too expensive or too difficult to provide these services themselves. So they started to contract charities to do it. And charities became more professional because they have to compete for contracts and so on" CommuniRing 38 (Volunteer)

These two arguments were spun nicely under the idea of BigSoc, suggesting that everyone should rely on their community and support people in need, highlighting the positive side of the policy. Presented in this way, austerity was concealed. Nonetheless, this was followed by the ‘exclusion of the government providing some social support’, which exposed the ‘ideological’ and ‘financial’ motivations of the hegemonic discourse in public policies. In recent years, austerity has become dominant in the public discourse and has hidden the link between the public deficit and the international crisis of 2008. BigSoc has allocated significant responsibility to local councils and at the same time provided them with fewer resources. Furthermore, responsibility was an individual matter and the idea of the state as a safety-net has been eroded slowly but surely. This resembles the market discourse outlined in Section 3.2 especially its emphasis on individuality. Rather than providing care, new policies are focused ‘on moving people through the services. So they have this need, we come in and support them, and then once that’s sorted they move on and they don’t get the support anymore’. This has had a knock on effect on CommuniRing and its philosophy, as discussed in Section 6.3 and
8.3. In sum, the ‘diminution of the welfare state (...) it’s putting a bigger burden on the voluntary sector’.

As CommuniRing is entirely funded by local government, its absolute dependence has led it to being at ‘the mercy of social services’, with regard to capital, the government, and the hegemonic discourse (Section 4.5). Contracts are revised yearly, which provokes uncertainty in volunteers — particularly on those who live in community flats — paid workers, but also members of CommuniRing that already suffer from anxiety issues.

Originally, CommuniRing was contracted by councils using money ring-fenced for supporting people’s organisations. When the use of this money was made flexible, councils were able to use it for any other purposes, and requested CommuniRing for a cheaper model. ‘Local councils (are) trying to save money because obviously they have to build in the cost of providing the rent for the person who is given the flat’, justified one member. Additionally, in order to participate in the contract bid, VOs and charities had to acquire business structures, according to councils’ expectations, since ‘if you don’t have that business structure, you will not be able to get that kind of business from councils’.

This reveals the unchallenged way in which CommuniRing absorbed (recontextualised) the representation imposed by the BigSoc and Labour policies. Moreover, CommuniRing was forced to look for other income sources, such as ‘grants (...) [and] money from another non-statutory source’ in order to continue with the job it does. In sum, all these have encouraged CommuniRing to accept the palliative role imposed by public policies. This has also provoked a significant transformation and restructuring of the organisation (see Section 6.3).

In Argentina, the set of national public policies that institutionalised the support for co-ops did not include VOs. Culturando works in partnership with the CABA government as a centre providing afternoon snacks for children of the neighbourhood. This is a programme that belongs to the Social Development Ministry, which provides the food and a social worker supervises it once a year, while Culturando provides the venue and
the volunteers. Moreover, Culturando also receives a small amount of public funding (roughly £500 per year) that is used to pay the rent during the summer when volunteers are generally on holiday. The rest of the funding for the organisation is self-generated through *peñas*, social activities conducted once a month that include dinner and some artistic performance. Part of the unstructured observation for this research was conducted during *peñas*. They are generally not focused on people of the neighbourhood; but rather on ‘outsiders’ who attend to support the project ideologically and economically. The food is provided by a worker co-operative that is part of Culturando, which produces pasta, and dance, music or theatre plays by workshop teachers. They are activities that involve all the members of Culturando, as volunteers work in serving the tables, cooking, and doing the performance, and all the money raised goes entirely to fund the expenses of the organisation. These artistic performances embody the popular and counter-hegemonic cultural representation of Culturando. Nonetheless, many conflicts with the local government have occurred recently when these *peñas* were taking place.

There is currently a significant dispute due to the CABA government and Culturando holding contradictory representations about the organisation. The government only recognises CommuniRing as a meal centre and not as a cultural centre. An inspection occurred when a *peña* was taking place, and the government closed the space. There is a legal vacuum about cultural centres\(^\text{12}\), so the legal form under which Culturando was registered was as a non-profit civil association. It cannot make profit and nothing can be sold at Culturando and no-one can work. The original closure was because during the inspection people were working in the kitchen, food was sold and people were dancing; thus, it was closed for operating under the form of a night club without legal permission. After that, members of Culturando voted in an assembly to keep organising *peñas*, as

\(^\text{12}\) The cultural centre law was passed after the fieldwork was conducted
they are the only way to raise the money needed to keep the organisation going. As a consequence, it was penalised four more times for closure violations, and on the last occasion a volunteer was prosecuted. The decision to violate the closure left the organisation in an unfavourable situation with the government and compromised the organisation itself. For this reason one member said the organisation had neglected the closures. She explained to me:

‘Culturando utilises the closures to its own benefit because it didn’t do what it had to do for such a long time. (...) Things must be more organised in order not to be closed every other day. (...) There is no legal form to protect us (as a non-profit civil association), we’re closed [as a result of being treated] as a night club, and we’re linked with commercial businesses’ Culturando 18

Culturando’s understanding of the conflict is that the government represents the meal centre as assisting the poorest, i.e. as tackling the impacts of capitalism, whereas the perspective of Culturando is broader than that: it challenges social structures, and seeks empowerment, which ‘is in contradiction with the idea that government has for us’. Therefore, at Culturando the closure is understood as a way to discourage its political intentions, and the work that goes beyond the government’s representations about VOs. According to its members, the CABA government has ‘no intention for places like [Culturando] to work (...) as it goes against the idea of culture the [CABA] government pursues, which is paid and for a few’. Conversely, Culturando was established in the neighbourhood 15 years ago and provided the area with a for-free cultural offer, open to everyone. Relying on Böhm et al.’s (2010) theorisation, Culturando is entirely autonomous in three ways: with regard to capital, the government, and the hegemonic discourse (Section 4.6). These contradictory representations of culture are what defines the identity of Culturando and will be discussed in a later section.

Despite the contradiction in the role of VOs between the government and Culturando, its members consider that acting as a meal centre of the CABA government does not limit it
at all. It helps the organisation to provide one more service for the community that does not imply any other obligation. When the VO was founded they decided not to receive any public funding if it came with any conditions about how to use it. This intensely independent attitude, which recalls the role of immigrant mutual self-help organisations in Argentina (Section 4.6), is linked with the strong grassroots representation of Culturando and with the social movements that appeared after the economic crisis. However, someone mentioned that the organisation had ‘no concern about receiving private money from individuals, organisations or NGOs’, raising concerns about the criteria for accepting private funding but not public. This attitude has changed recently, as the organisation understood that being open to private funding gives it more opportunity to undertake other projects. Thus, it has received funding from other organisations, such as the University of Buenos Aires for an exchange project.

In sum, the institutionalisation of diverse public policies resulted from the utilisation of VOs according to the interest of neoliberalisation. Although BigSoc was attractively presented, suggesting that individuals should rely more on each other rather than on institutions, this was a mask for a cost-cutting exercise, as generally understood by members of CommuniRing. This policy implied a transfer of responsibility from the central government towards local government, grassroots organisations and individuals. As CommuniRing was entirely funded by local government, it is absolutely dependent on the government and had to adopt the representation and requirements of the new policy, which led it to adopt a business structure, change the community model, and look for new funding sources. These policies have not only imposed a palliative role on VOs, but have also forced it to deliver services according to government’s own design. The institutionalisation of public policies in Buenos Aires also responded to the market interests, as Culturando is a ‘partner’ as a meal centre. Nonetheless, the scope of the organisation is broader than just filling the gap between the state and people, and it represents itself as a cultural centre, which is the key to the conflict with the CABA.
government. This dispute is only with regard to its function as a cultural centre, which represents the transformative role of VO, and not as a meal centre that is aligned with the palliative discourse. Furthermore, Culturando receives funding only when there are no conditions about how to use it, although it is mainly a self-funded organisation. This makes clear the transformation of VOs’ representations as a consequence of the institutionalised public policies. We now move onto explore the change in social practices.

*Attaching policies to grassroots organisations*

I argued in Sections 4.5 and 4.6 drawing Cornwall (2004) that popular participation can be the result of an *invited space* or a *popular space*. Therefore, it can result from top-down initiatives or bottom-up rebellious actions, and these opposing directions give as a result different social relationships. In *invited spaces* it is expected that VOs accomplish the role the government expects from them, recalling a palliative function. Whereas in *popular spaces*, VOs perform a transformative role according to their own principles and aims. In addition, public participation can attempt to empower citizens or limit public responsibility. In the following paragraphs, the social relations between public policies and VOs are scrutinised.

Big Society transformed the representations that VOs had about themselves and also the government’s representations about the sector. This consequently changed the social relations between VOs and the government at different levels. VOs were instrumental in the BigSoc, which relied on the grassroots links of VOs and encouraged citizens to be the engine of welfare provision. Based on the long history of charities in the UK, the government *invited* VOs to participate in fixing Britain through planning and delivering social services. Nonetheless, VOs were invited to do something that they were already doing, as I was told: ‘What I said when I heard about the BigSoc was: what are you talking about? We are already doing this, we are already working for nothing! Do you want us to work more for nothing?’ . This quotation suggests that the government took
the way of working of VOs and redefined it according to its own purposes, and its interest in VOs was to reduce its responsibility for welfare provision. Also, CommuniRing members argued that presenting volunteers doing things as ‘valuable and important’ for free was part of ‘cynical’ motivations that the government hid under the mask of BigSoc. The policy was criticised for being applied without the proper funding and training for people to make it successful, as if volunteering ‘is not just something [that] people can step up and do’.

As I suggested before, many members of CommuniRing saw a connection between the policies introduced by the Coalition government and those of its predecessor. Through injecting a significant amount of funding into SSE the New Labour government changed the social relations within the sector. This funding was associated with ‘very heavy monitoring of the social sector [that could] prove through paperwork what change we were making in people’s life’. This was the starting point of assimilating SSE organisations with businesses, as the same impact measures were applied. Organisations ought to stick to ‘more policies and guidelines and papers on how we work with people’ which might have reduced state bureaucracy but increased it in organisations. This is the sort of evidence that suggests that the practices of VOs have been permeated by a corporate discourse; they accepted an invitation to participate in programmes that caused them to drift from their original values. VOs have become business-minded due to the structures imposed by policies and the neoliberalisation of the sector (to be discussed further in Chapter 8), which corresponds with the palliative pole. When the Coalition government took office, the funding was reduced although impact measurements were not abandoned. Hence, the acceptance of the Labour policy in exchange for funding wounded VOs’ independence. As funding was reduced, CommuniRing was forced to look for other sources, as already discussed, and the result was that it is now diversifying its target population. Moreover, people referred by social services are referred for more hours, not just a minimal support as used to be the case,
suggesting that they are more in need. This also provokes concern among volunteers, as they can see how austerity is negatively affecting the quality of life of those they try to help: ‘it all seems to me that it’s impacting on people who live in [CommuniRing] because they just kind of have to get on with it. (…) People are falling into the gap’. Many members of CommuniRing indicated that the new policy is ‘to move people on and out of the services’. As this quotation suggests, increasing impact measurements have made CommuniRing’s work more difficult:

“Even though they’re trying to change the worker system a lot, changing the benefits, trying to make it more simplified and trying to stop people that are taking advantage of it. I think then, sometimes, more vulnerable people in the society can’t cope with all that, while a lot of our members have to go for assessments, for example, to prove that they have a disability. (…) So it creates a lot more work and a lot more support is needed when we haven’t got the time, a lot more paperwork” CommuniRing 44 (Paid worker)

Transformations in CommuniRing illustrate the ‘isomorphic tendencies’ that the sector has gone through in the last few years (see Section 3.5). The complete dependence on public funding left CommuniRing in the dilemma of accepting the changes imposed by public services in order to get the contracts or sticking to its principles and struggling economically. ‘So every time (…) we have to go to another bidding process for a contract, and they [the government] can basically say whatever they want and we have to do it’. Additionally, recipients of the services of CommuniRing, who experienced the diminution of the quality in the services provided, were significantly restricted in the complaints they could make as social services are both umpire and player in the match. But also members of CommuniRing are ‘restricted in how much we can speak out and campaigning and things because of the way that we are funded’. Thus, to some extent, having weaker organisations also caused a negative impact on the interest of those who are supposed to be defended. Hence, according to a member of CommuniRing, ‘if you don’t have organisations that are strong and they are specialist that work with vulnerable people, vulnerable people suddenly don’t have a voice’. In this vein, BigSoc significantly
changed the social relations within CommuniRing and between it and the government.

Given the conflicting relationship between Culturando and the CABA government, its members do not consider ‘there is a partnership with the government, rather some links with particular government institutions’. They consider the reasons for the conflict as ‘ridiculous’ and ‘insane’, as the social activity of the organisation is filling the gaps left by the state, and the government closes it. They said, ‘On the one hand government sends us food and on the other it’s closing the space’. Hence, the social relations between Culturando and the CABA government are conflictive as a consequence of the opposed representations about the role of VOs in society, and it seems there are no perspectives on bringing them closer. Culturando emerged as a popular space for social participation, but the government does not recognise it. According to Culturando, what lies behind this conflict is the transformative social relations it proposes and the rejection of the palliative role imposed on it by the government. It pursues the empowerment of its neighbours and the creation of transformative social relations that could challenge the hegemonic ones. As one person said, ‘As soon as you try to move a step out of [government’s] control, which is just providing the food and nothing else, they coerce you. As long as we show them the gap in the system, they coerce us’. Although the situation of Culturando implies an ethical dilemma as they are not following the law, on the other hand ‘the organisation is filling the gap and doing things that the government should do’, and in general the government does not even control its work. In this vein, CABA government becomes present only when social organisations act in their own interests, as this quotation suggests:

‘It is easier to evict people from a hotel or poor people if no social organisation is involved. (…) If there is no-one, the government just evicts them and the situation remains invisible. (…) The less noise, the better for the government. Making people know that they have rights and demanding the government to respect them, really annoys them. Therefore, social organisations are really a pain in the neck for the government’
This conflicting social relation with the government is a consequence of the fact that Culturando categorically rejects the label of ‘clientelist organisation’. Rather it proposes ‘treating beneficiaries as peers that live under unfair circumstances due to social inequality’, as argued in Section 6.3. Furthermore, it considers that social organisations are responsible for limiting the government in a similar way to what GrafiCoop describe, ‘Social organisations have a significant weight in society and we generally lose sight of it. (...) We have to use our popular power’ to demand the government to be taken into account and to do its duty. In this vein, Culturando aims to be a mediator that could channel the needs of its neighbours, without assisting them. Nonetheless, it also recognised an omnipresent state and citizens very used to asking and demanding of it. This resembles the populist forms of SSE discussed in Section 4.6, although Culturando remains independent of this type of relationship. Furthermore, government makes strategic use of social organisations, as they not only work for free, covering part of its duties, but also have conviction about the work they do. According to a member of Culturando, ‘it's easier for the government to authorise us to be a meal centre, so it does not have to run the place, hire people to do the job… It's easier because we're willing to do it and it doesn't have to do anything’. This implies a transfer of responsibility from the state to individuals, as occurred in the UK as a consequence of neoliberalisation.

To conclude, VOs were invited in the UK to take part in BigSoc to do the same work they were doing before, and without the proper funding and training to increase the number of volunteers in order to face the challenges of a reduction of the state role. Additionally, although New Labour introduced heavy monitoring in exchange for greater public funding, the Coalition government reduced the funding, alleging the need to cut the deficit, and left VOs in a precarious situation as they had more work to do and significantly less resources. Moreover, the absolute dependence on public funding harmed VOs that had no option but to accept government’s demands, and left them with
no voice. CommuniRing is currently covering a space left by the withdrawal of the state and has been co-opted by the palliative discourse. In contrast, Culturando has no links with public policies. It emerged as a *popular* form of social participation, although it is not entirely recognised by the government, which led them into a vicious circle of not being allowed to doing *peñas*, but doing them anyway to get the funding they need. Its members see it as contradictory as the government relies on them to undertake part of its duties. Although this might appear as part of clientelist policy at first glance, it facilitates the empowerment of its members and a transformation of the social structure and for this reason the relationship with the government has become more conflictive.

*How did public policies transform VOs’ identity?*

Discourses also project identities or ways of being, called *styles* (Figure 2). In Chapter 4 I discussed that governments all around the world have identified the SSE as a partner in the provision of public services, and the UK (Section 4.5) and Argentina (Section 4.6) were not the exception. Also, I argued that both have attempted to co-opt the SSE to serve their own political ends, aligned with the reduction of state-funded welfare. Therefore, the focus of this section is to analyse the identification of VOs with the public policies and whether they provided a ground for empowerment or only acted to foster the reproduction of the neoliberal agenda.

Big Society presented the idea of civil empowerment through individuals supporting each other and being responsible for the destiny of their own community. Despite the fact that it was presented as highlighting the positive outputs BigSoc could bring, it was criticised as neither the proper funding was invested nor the training to make it success. Deliberately or not, the structure for BigSoc to work in practice was neglected. BigSoc draws on a ‘totally utopian idea. (…) [Whereas] in capitalism there is no one to make the BigSoc happen because everyone is too busy thinking about themselves’, said a member of Culturando. Thus, not only funding and training were missing, but BigSoc
was built on the unstable foundations of neoliberalisation and the identification with individuality it puts forward (Section 3.2). Furthermore, the policy used VOs’ knowledge for the purpose of reducing the state role and undermining welfare.

‘They [the government] sort of take our ideas and made it hard for us to do it. . Like ‘carry on with what you are doing but with less’. [] and kind of making into something that actually they can use for their own. I think it’s probably to reduce the whole role of the State and supporting people anyway’  CommuniRing 42 (Paid worker)

As a consequence of the way in which CommuniRing is funded, it could not resist its integration with the BigSoc. Although BigSoc was a cost-saving exercise, it also identified with the traditional values of British society that ‘you have to help people’, particularly those worst-off. In this vein, BigSoc channelled the ‘nostalgia and appealing to the older electorate who might have been nostalgic for it’. This is linked with the Conservative principles as one member of CommuniRing pointed out: ‘I think the values that the current government has [pretend that] people and community should support themselves in the way that it might have done in the past’, remembering the origins of the SSE when the state was non-existent. Hence, BigSoc was presented as a good thing to do, when it was ideologically driven in reality to ‘promote volunteering as an alternative to paid work’ (see Chapter 8).

Regarding the intention of BigSoc to empower people, members of CommuniRing were not of one mind, although they did not see the policy as empowering in itself. For some of them empowerment was similar to a positive side-effect for the government. Others identified BigSoc as empowering but at a rhetorical level, as it suggested that people have lots of different options and could make the decision. Nonetheless, in many cases these options are the result of ‘what is available rather than what it is that people should be getting’. Additionally, the government used austerity as the magic solution to all the problems of ‘broken Britain’, without taking into account that cost reductions will affect each area differently. In this sense, austerity as the golden rule for every issue chimes
with the idea of ‘best practice’ (Section 4.3) rather than being a thoughtful solution, as this quotation explains:

‘Potentially if you’re unemployed the withdrawal of the welfare state might be seen as legitimately encouraging more people into employment. But if your problem is that you struggle socially without support by taking away that support isn’t going to suddenly make you any better at supporting yourself’ CommuniRing 45 (Paid worker)

In the Argentinian context, the CABA government does not recognise Culturando’s identity beyond its role as a meal centre. According to its members, the centre of the conflict is the opposed understandings of culture. Whereas the government suggests there is an official culture with a particular scope, Culturando is grounded in popular culture that aims to transform social reality. It is ‘a culture that belongs to people and aims to transform, to change, and to make people think’ a member explained to me. In this vein, the identity of Culturando challenges the meaning of culture imposed by the government and its hegemony. Accordingly, it understands that the government seeks to ‘eradicate all these type of thoughts, cultures and ideologies’ undermining popular power. Thus, the closures are for them an excuse that hides the real intention of the government to disempower them, as Culturando is in ‘a neighbourhood full of clandestine spaces, such as brothels and drug kitchens. Closing us during a pena is nonsense’. Culturando considers that its popular identity, in opposition to the tendency to privatisation enacted by the CABA government, is what lies behind the conflict. For Culturando members ‘the government pursue a clear intention to privatise [social spaces], a clear tendency towards neoliberalisation’. Given this confrontation, none of the members of Culturando consider the government aims to support the organisation. Hence, Culturando questions the idea of a populist state and challenges clientelist policies through the provision of a broader service, which is opposed to the government’s ideology. In their own words:

‘Unfortunately, the government takes actions that are only assisting people saying ‘we
provide the food, and that’s it’. And our approach is comprehensive, we propose a range of activities and complement the state’ Culturando 32

In sum, BigSoc was identified with a utopian idea grounded on common values, which stands in opposition to market ideology. It was presented as a policy for empowerment, although its effect was only rhetorical, as it was not accompanied either with the funding or the training that it required. The policy took VO’s knowledge and used it in its own interest, which was reducing public funding and unpicking as a way to reduce the role of the state. Relying on traditional British values of mutual support, similar to those pursued by mutual-aid organisations, it unmasked a cost-saving exercise, which operated as a best practice for any type of service. In Argentina, Culturando’s identity is deeply attached to a cultural centre, which has provoked a strong conflict with the CABA government which does not recognise this form and has closed Culturando four times. Volunteers consider that this conflict is rooted in opposed ideologies and opposed identifications of legitimate culture as top down or bottom up. Each of these identifications of culture respond to each pole of the palliative and transformative tension. As a consequence of this, the government limits the actions of Culturando on a daily basis, despite the independence that the organisation entails. Having discussed the representations, social relations and identities of co-ops and VOs, the next section deals with them altogether to analyse the SSE in Argentina and the UK.

7.4 Comparing the SSE: VOs and co-ops in Argentina and the UK

The last two sections outlined the representations, social relations and identities by type of organisation in each country. This one pulls together a comparison that includes both types of organisation and draws a sketch of the SSE in each country, its links with public policies and the articulation with the palliative and transformative poles. Given the argument presented in Chapter 4 as a backdrop, which is that governments in both countries have used the SSE in the interests of the market hegemony as a practical
palliative to counteract its consequences (Sections 4.5 and 4.6), this section sheds light on the effects these policies have had on the SSE. In this vein, it scrutinises whether SSE organisations could use these programmes to enlarge the basis of the SSE or whether they have become trapped by the government’s rationale.

Discourse figures in three ways in the social practices: they figure in self and external representations of the practice; as an element of social relations, i.e. they constitute genres; and they project identities according to an authorial identity (see Figure 2). Policies do not share a common representation of SSE organisations in each country; whereas BigSoc did not place its focus on co-ops, VOs are not the focus of any public policy in Argentina. While PrintCoop and Culturando are strongly autonomous from government’s institutions, CommuniRing and GrafiCoop rely too much on it. Nonetheless independence is the result of the trade-off between what the organisation can do on its own and its willingness to accept external conditions. Both Culturando and PrintCoop have prioritised their own interests rather than access to funding. In contrast, CommuniRing and GrafiCoop have seen that public funding was an opportunity to expand the organisation, at the expense of their own principles. The organisation that saw its basis more eroded was CommuniRing, mainly as a consequence of its absolute dependence in three dimensions that have been analysed —from capital, state, and hegemonic discourse. This provoked the whole restructuring of the organisation in order to fit in with the government’s requirements. Despite these differences, in general the British people interviewed pointed out the BigSoc as a policy that reduced public spending with the ultimate aim of undermining the welfare state. It was represented as part of the neoliberal agenda, and the negative consequences it caused were recognised. BigSoc was the hegemonic discourse about social services provision and the SSE as facilitator in the withdrawal of the state, linking its role with the palliative pole I discussed in Section 3.4. This was well understood by everybody I spoke to. Meanwhile, interviewees in Argentina also sought the SSE counteract neoliberal
consequences, such as unemployment. GrafiCoop represents as dependant on the
government in economic and political terms, and although the policies that affected it
were not part of an established hegemonic discourse, they belong to a populist
understanding of the SSE which links it with the palliative role.

Given these diverse representations between co-ops and VOs, social relations between
them and the government are multi-layered. PrintCoop remained detached from BigSoc,
as it was seen as ideological, and questioned the intention to create top-down co-
operatives. Its autonomous social relationships with the government contrast with the
position of CommuniRing, which accepted the invitation to participate in the BigSoc
despite the fact that its rationale was to do what the organisation was already doing. As a
consequence, some members of CommuniRing understood the policy as an opportunity
for the organisation to get more funding, visibility and empowerment, whereas others
considered it proposed more duties with insufficient resources and the acceptance of
new rules of the game that left it in a position with no voice to defend its own interests.
Hence, whereas PrintCoop considered BigSoc as a palliative policy and decided not to
take part because of that, despite CommuniRing members’ criticism it could not reject
the invitation as a consequence of its funding model. Social relations with the
government are also diverse in the Argentinian SSE, although both organisations
appeared as a space of popular participation, which has become a distinctive feature of
Argentinian SSE. The government acknowledged the solution co-operatives could
provide in tackling unemployment and social exclusion, and developed policies following
this line. As a consequence of this, GrafiCoop presents a greater degree of dependence,
as a consequence of the institutionalisation of co-operative practices through a populist
policy, which exchanged government support and funding for radical demands.
Conversely, not only were VOs deliberately downplayed in this national policy, which
might be a consequence of over-representing co-ops due to the historical link between
employment and citizenship discussed in Section 2.3, but also Culturando is being
closed by the CABA government.

Regarding the identification of SSE organisations with BigSoc in the UK, PrintCoop decided to remain loyal to its own values and not participate in the BigSoc. Although some people considered this could have brought benefits for the movement, others saw the principles’ contradiction clearly, and decided to remain autonomous. In contrast, CommuniRing transformed its identity according to the BigSoc and its values, whereas its empowerment appeared as only rhetoric and an excuse for reducing public expenditure. Hence, BigSoc discourse became so hegemonic that it had the power to complete CommuniRing’s identification with the market. Despite the dependent relationship that co-ops had with the Argentinian government, there is a contradiction between co-operative social relations and identification. They reject the identification put forward by the government about co-ops as a bridge between social exclusion and employment, although they have participated in policies that had this palliative approach. This same standpoint was shared by the CABA government in the identification of co-ops, which contrasts with co-operative principles. Despite the radical standpoints of GrafiCoop and the co-op movement presented in Section 6.2, as a consequence of the dependent social relations with the government, it cannot articulate its autonomous identification in relation to public policies. In contrast to this dependent identification, Culturando enacts a strong self-identification as a cultural centre which respond to the alternative role of the SSE, and rejects the one proposed by the government as a meal centre recalling the palliative pole (Section 3.4). According to Culturando members, these opposed identifications are rooted in contradictory ideas about hegemonic culture as arising in a top-down or bottom-up process.

From the organisations’ point of view, their autonomous or dependent relations with the state were examined. In this vein, the government decided what organisations include under its scope, and organisations responded according to this. The British government drew attention to VOs whereas the Argentinian government focused on co-ops, and
other SSE types of organisations were not taken into account. In contradiction with the literature presented in Section 4.4, my analysis provides evidence that the SSE has not been considered as a whole by any government. They only placed attention on a particular type of organisation that could provide an answer to some of their problems.

7.5 Conclusion

In this chapter, I have analysed the policies rolled out in Argentina and the UK that had the SSE as their focus. Contrary to the idea discussed in Section 4.4 that the SSE appeared as a government partner, this section illustrates that the SSE has not been understood as a whole in either of the two countries studied. Some organisations acted as partners, but not uniformly. It was the co-operative in Argentina and the VO in the UK that had been hegemonised by the state, but neither VOs in Argentina nor co-ops in the UK were the focus of public policies. This selective representation of the SSE in public policies corresponded with the understanding of it as a means to reduce the impacts of neoliberalisation in a broader sense: reducing the scope of the state, reducing public spending, and tackling the effects of social exclusion and unemployment. It is difficult to evaluate whether public policies were driven by cynicism, but we cannot rule this out. The interpretations of policy-makers in striving to the SSE can be questioned, and the interest in the sector can be understood as a way to reduce the state responsibility for the provision of welfare. Recalling the tension in the SSE (Section 3.4), it was only considered as a means to ameliorate neoliberal consequences but never as an alternative to the current economic hegemony.

The different degree of co-optation of the SSE in each country may be a consequence of the opposite directions in public participation, as top-down initiatives in Britain or bottom-up rebellious actions in Argentina. Moreover, the idea of solidarity is stronger in Argentina (Section 6.2 and 6.3), and the public policies analysed in this chapter did not aim to transform the nature of social relations among people. In contrast, traditional
social relations, in which everyone should take care of others, gave place to the BigSoc in which everyone has to fend for himself. Consequently, this cultural change paved the way for cuts to welfare benefits, austerity, and blaming the poor for their misery. Hence, public policies have co-opted some SSE organisations which became dependent, and then relying on the rhetoric of austerity, funding was refused and they were sent to the market. This happened first in the UK, and is starting now in Argentina under the Macri government, a possible topic for future research. We might conclude that policies towards the SSE have taken the last support and last hope from vulnerable people, which might help to explain the current lack of faith in politics and the undermining of society.

I have argued throughout this research that people have used SSE responses to deal with difficult social and economic situations throughout history. Hence, many of these experiences appeared as bottom-up rebellious actions and as part of popular spaces. However, through public policies, many have been co-opted by the state and loss their political edge. In particular, the analysis of this chapter shed light on what triggered these policies, the pre-conceptualisations of the SSE and how they were received by SSE organisations. The differences between British and Argentinian society have been discussed (Chapters 2 and 4). There is nonetheless a strong parallel in the process of co-optation of the SSE, although it has been carried out differently and by governments opposed in political terms. This draws attention to the power of the market discourse and how the dominant ideology is co-opting autonomous social forms to serve its own interest. To conclude, in this chapter I have presented a clear example of the tension between the palliative and transformative roles of the social economy. Having discussed the degree of adaptation of SSE organisations to the public policies and their neoliberal underpinnings, the next chapter presents the transformations that SSE organisations experienced as a consequence of the market rationale.
CHAPTER 8

THE IMPACT OF MARKET IDEOLOGY ON THE SSE

8.1. Introduction

This is the third and final chapter that discusses the findings of this research. Following the general aim of this research, focused around the palliative versus transformative role of the SSE, this chapter deals with the changes that the rise of marketization has provoked. As discussed in Section 3.2, neoliberal discourse was a global process that expanded ideologically around the world. Although it portrayed itself as a univocal process, the impact on different countries was diverse; neoliberalisation landed in places with different histories and had to accommodate itself to them. This was referred to in Section 3.2 as the variegation of neoliberalism. In the case of this research, market ideology was anchored differently in Argentina and the UK. In its origins, the SSE worked as a contesting political community that emerged from the core of capitalism’s own limitations. SSE forms of resistance are multiple, and are part of each country’s unique identity, with which neoliberalisation process had to deal. Given the transformations the sector experienced throughout the 20th century (Chapter 4), this chapter analyses the impact of the ideological process of neoliberalisation on local SSE organisations, and whether they still act as points of resistance.

Drawing on the idea of substantive economy and the traditional values of the SSE, it
should be directed towards humanising economy rather than reproducing the market (Section 3.3). However, the overarching pressure of the hegemonic economic discourse might have affected the sector and inclined it towards the palliative pole. Hence, relying on Polanyi’s concept of the double movement, I discuss whether the SSE embraces the first stage that pushed it towards marketisation and can lead to the dissolution of society, which I have theorised as the palliative pole in the SSE, or the SSE has produced an organic reaction to the negative effects of marketisation, enabling the transformation of the social order, which I have conceptualised as the alternative role of the SSE. This second part of the movement challenges the idea of neoliberalisation as inevitable, and is also concerned with the radical transformations of contemporary social life that occur as a consequence of the hegemonic order.

The focus of my analysis is how market discourse is expressed in the four case-study organisations; I use them to take the temperature and gain access to abstract structures. They are part of the social practice of the SSE, in which stable practices are constituted in institutions and organisations (Section 5.4). According to CDA, the social structure is organised at three levels: discourses that occur in representations, genres that occur in social relations, and styles that constitute identities (Fairclough, 2003; Figure 2). In this sense, and following CDA as a social theory, I report my findings through the three-layer structure. Hence, I will dissect the elements of acceptance and resistance that are present in SSE institutions with regard to the neoliberal discourse and marketisation.

This chapter aims to address the third research question, which revolves around the transformations that SSE experienced due to the marketisation process, which is a consequence of the neoliberalisation ascendancy, and to what extent it is still a place of resistance. It is structured into three main parts: Section 8.2 presents the impact of market ideology on co-operatives; Section 8.3 does the same for voluntary organisations; and Section 8.4 outlines a comparison between the SSE sectors in each country.
8.2 The impact of market ideology in co-operatives

The analysis of the social practice of co-operatives is reproduced differently according to the history and culture of the place where the social practices occur. British institutions have been forcefully and consistently exposed to the market rationale, particularly during recent years (Sections 2.4 and 4.5). Meanwhile in Argentina, market policies were enacted following a shock doctrine, with economic 'reforms' being introduced rapidly in the 1990s, followed by the worst economic crisis in living memory (Section 2.4). However, the crisis gave place to counter-hegemonic economic responses (Section 4.6). Recalling Polanyi's *double movement* (Section 3.5), regulating a market system can lead to the demolition of society or engender an organic reaction to prevent annihilation. Having these two opposite processes as a background, the next three sections outline the transformations provoked by marketisation in representations, social relations and identities in co-operatives in Argentina and the UK.

*Co-ops' political underpinnings in the context of marketisation*

It was pointed out in Section 3.5 that political underpinnings act as a shield against marketization. Thus, recalling the concept of double movement, they are instrumental in articulating the second stage, which is linked to the resistant nature of co-ops. Market discourse has demonstrated itself to be particularly effective in spreading an image of efficiency and success across society. Co-operative discourse appears as contradictory to marketisation in a variety of ways, which is reflected in a popular—but false—understanding of co-ops as a curious and unprofessional organisational form. My interviews demonstrate that members of the two co-ops mentioned the same phenomenon, despite the geographical and cultural distance. Their words about this similar external conception follow:

"[We're] in association with kind of hippy culture and so maybe there was this perception that worker cooperatives were *not very professional, not very serious, a bit shaky, not*
very good quality, that kind of prejudiced. (...) There is still kind of in many ways cooperatives are kind of invisible people and they find themselves strange” PrintCoop 33

“There is a general idea that we’re a bunch of hippies or that we produce rubbish products because we’re a co-op (…) I reckon this general distrust is produced by the neoliberal standpoint” GrafiCoop 7

The repeated use of the word ‘hippy’ suggests further considerations. It is a critical way to represent co-ops from the exterior, as ‘a not mature organisation’ and not professional, as the interviews suggest. Prejudice and stigma are present in both countries, which might be anchored in the market ideology that discredits any economic form that is not focused on market success, efficiency and effectiveness. As argued in Section 3.2, neoliberalisation is a global discourse that downplays every other alternative to it all around the world. This discrediting might be focused on the quality of jobs, managerial organisation, or any other element that appears as opposed to the hegemony. Managerialism is widely recognised as the market-driven means to administer companies and co-ops do not fit this model in a number of ways. Moreover, both co-ops experience similar and concrete limitations as a consequence of financial capitalism. In GrafiCoop they are linked with financial issues and the lack of access to credit for small companies in general, reinforced by the lack of trust in co-ops as a consequence of the ‘false co-operatives’ formed simply to avoid tax in Argentina in the 1990s (see Section 4.6). Regarding PrintCoop’s limitations, they arise from the gentrification (Smith, 2002) process that is taking place in London, which has led to an the increase in the price of land and the displacement of traditional residents to the periphery of the city.

“Banks do not give us any credit, it is almost impossible. Co-operatives are not seen as productive organisations because the legal form has been used for tax avoiding. But ironically, Limited Societies have been used for the same purpose and are still lent money” GrafiCoop 3
Financial capitalism locates both co-ops in the fringe of a structure of constraint that reinforces some values and challenges others. Co-operatives in Argentina experience an absolute absence of credit for investment, although this also affects small companies and individuals. This is among the reasons why the co-operative movement depends heavily on public funding and loans from co-operative federations (Section 7.2). This exposes the lack of alternatives to the mainstream financial system while reinforcing the populist understanding of the SSE (Section 4.6). In contrast, although access to funding is not a major problem in the UK, a member of PrintCoop told me that the co-operative movement has developed very effective alternatives to gain access to credit, such as crowd funding or a solidarity fund, which might be useful in the Argentinian context. In this regard, PrintCoop performs a resistant role, as it has promoted forms of funding that do not rely on the mainstream financial sector. Moreover, drawing on the values of solidarity of the co-operative movement in the 19th century (Section 4.4) these alternatives might allow an increase in movement collectivisation and a greater autonomy in economic terms.

PrintCoop’s primary difficulties are related to renting property: urban development has led to an increase in land prices in London, which led to the displacement of existing occupants to peripheral areas of the city (Atkinson, 2000). This was reinforced by the regeneration scheme that took place in East London as a consequence of the Olympic Games the city held in 2012 (Watt, 2013). Firstly, finding a suitable place for a business, and secondly, the cost of the rent have become central problems for small and medium-sized companies in London in recent years. Moving to a new area can bring severe business difficulties especially for cooperatives, which generally have links with their local community. In this sense, gentrification forced PrintCoop to behave in a business-
minded way, reducing its ability to consider community solidarity in the decision-making process. Although financial capitalism might seem abstract and far from workers’ daily life, the two worker co-operatives experience its consequences directly.

Therefore, the exposure of PrintCoop and GrafiCoop to marketisation is not only theoretical but also in practice. This is the first part of Polanyi’s double movement, and in order to articulate the second, political underpinnings are required. Particularly, the political dimension is instrumental in the creation of responses from a counter-hegemonic point of view (Section 3.5). When I asked PrintCoop members about their involvement in politics, their responses were in relation to how badly the Labour Party was performing in opposition to the Conservatives. Typical answers were: ‘Labour and Tory for a long time have been the two sides at the same coin’ or ‘we don’t have any [link] with the Labour Party’. On the one hand, this is a narrow understanding of politics only recognises political action through parties, and prevents organisations from acting politically, as discussed in Section 6.2. On the other, and linked with my poststructuralist approach (Section 5.3), if market hegemony remains unquestioned, alternative forms of resistance cannot be considered. The ‘frame of reference’ of economic action is set up by hegemonic forces, and there is no place for radical change (Section 3.3). Political parties have been co-opted by the hegemonic ideology but so have individuals who cannot think out of the box controlled by ideology. Moreover, PrintCoop’s narrow understanding of co-operation linked with a managerial strategy (Section 6.2), conceals the political element of cooperation and misses its potential for a radical transformation of economy and society. Hence, the limited political engagement in PrintCoop (Section 6.2) further undermined by internal management, weakened the radical political goals that the co-operative movement developed during 19th Century. The significance of unionism, political action and guild syndicalism has given way to a representation of co-operation as a form of management, which not only describes the transformation of co-operatives but also a general de-politisation and de-radicalisation of society as a
consequence of a systematic neoliberalisation.

The representation of political action is different in GrafiCoop. It acknowledges its political aim is connecting the co-op with the movement’s other institutions and being actively engaged in the enlargement of the movement. As they said: ‘The external [political aim] is to keep up working with other co-ops, federations and taking over factories’ or ‘There is a collective political work in which the co-op is only one organisation, and [GrafiCoop] members have to take an active role and participate actively’. The concept of political action is deeply attached to the role of the co-op within federations and a desire to expand a counter-hegemonic model, which rejects the idea of atomisation put forward by market ideology (Section 3.3). Moreover, this projects the role of the organisation outwards, towards reproducing the co-op model and expanding the boundaries of the current frame of reference of economic action (Section 3.3). Thus, whereas at PrintCoop politics is conceptualised around the idea of a political party, at GrafiCoop it is understood more widely as part of the tradition of radical transformation of economy and society, and linked with the origins of cooperative values in the country. Strong political principles and collectivisation are key features the Argentinian cooperative movement acquired in recent years, and which can be considered as organic reactions towards marketization, a classic example of the second stage of the double movement.

To sum up, co-ops’ representations in the current context are traversed by market discourse, although to different extents. Both co-ops have been labelled as hippies and not professional, demonstrating perceptions arising from a deeper discrediting process that comes from being opposed to the hegemony. In addition, both co-ops have been affected by financial capitalism, in lack of funding in the case of GrafiCoop or as a consequence of the gentrification process in PrintCoop. However, they demonstrated diverse political responses. In GrafiCoop, co-operation is a form of political action attached to the tradition of the movement (Section 4.6), and they seek the enlargement
of the movement and ultimately the creation of a liberated economy. In contrast, political underpinnings are absent in PrintCoop. This difference in political action might be explained by the transformations that SSE has experienced as a consequence of the crisis in Argentina and austerity in the UK. Moreover, this might suggest that marketisation has moved the representation of PrintCoop closer to the palliative pole, whereas because of the significance of political action in GrafiCoop it can better resist marketisation.

*The double movement of co-operatives with the advocacy of neoliberalisation*

Given the representations of the two co-operatives within a market ideology context, this section discusses their social relations within it or their *genres* (see Figure 2), and how they have been transformed as a consequence of it. As discussed, different types of organisations have (re)appeared in the last few decades, such as social enterprises in UK (Section 4.5) or ERTs in Argentina (Section 4.6), changing the landscape of the SSE. These new organisations also adopt a position as part of or reaction to the hegemonic economic discourse, and positioned themselves on the transformative—palliative spectrum (Section 3.5). In addition, they play a role in deepening marketisation or counteracting it, and they have forced co-operatives to transform their discourse and adapt their role to this new scenario. Hence, this section outlines the transformation of the co-operatives’ social relations provoked by the market ideology.

GrafiCoop has been deeply committed to the creation of other co-ops and to the reclaiming of enterprises. IT also plays a key role in the FRGC, lending support to other ventures that are in formation. It understands that the social turmoil during the crisis ‘provoked many co-ops and other social movements to raise their voices and say ‘we don’t want this type of State, we want another’. It is clear that the economic crisis ‘provoked the appearance of many ERTs’. The co-operative movement and ERTs are
seen by members of GrafiCoop as maintaining a barrier against neoliberal policies. It is important to highlight that the enlargement of the co-op movement in the last decade had two important features: it was a bottom-up process that only received public funding once it was an established social movement, and because of the influence of ERTs it was heavily politicised (Section 4.6). GrafiCoop’s involvement with the community was sited within the movement and directed towards helping others to reproduce the cooperative experience and expand the social aspect of co-ops. Again, the role of reciprocity highlighted in Section 6.2 is instrumental: through helping others both giver and recipient are transformed. A support network based on the value of reciprocity is built up, which works both as an economic partnership and a social movement. This political action mirrors Polanyi’s idea of double movement, as organic reactions safeguard the functioning of society in times of oppression (Section 3.5). Following this line of argument, social relations established by GrafiCoop aim to strengthen the cooperative movement and the SSE, enlarging the frame of reference of economic actions (Section 3.3). This includes spreading the word about co-ops, so that others can be inspired by the idea. However, the second stage of the double movement is not entirely completed yet.

“The actual role of co-ops is to hold on, they’re not moving one step further. They still work as the sticking plaster [of capitalism] when people have no jobs. This is not bad as instead of looking for a job in the market economy people join together and set up co-ops. But that function has not been challenged yet [by the co-op movement]” GrafiCoop 3

“Many people choose to work for them [co-ops or ERTs]. (...) It is good that they can spread the word about co-ops, so many others can follow the idea” GrafiCoop 6

As the quotations indicate, the growth of the co-operative movement during the last 15 years in Argentina was initially motivated by the failure of the market economy to provide employment. Nonetheless, the appearance of ERTs gave inspiration to others and many co-operatives were created after this, they expanded the boundaries of the economy,
GrafiCoop being an example of this. Hence, although the formation of co-operatives is an ongoing process that enables SSE growth, it does not challenge the hegemonic market economy. The conceptualisation of the SSE as a ‘sticking plaster’ reproduces the palliative idea of the third sector. Hence, in order to support co-ops and ensure their sustainability, members of GrafiCoop consider a widespread movement to be essential, as it was in the 19th century. At this point, the GrafiCoop commitment to political becomes relevant, since its aim is to expand the co-operative movement. Thus, although GrafiCoop is constrained by market forces, the current stage of the movement is still one in which it challenges the status quo through political action. In this sense, the changes that have happened in recent history have been mobilised by the political dimension of the SSE.

Contrary to the inspiration provoked by new SSE organisations in GrafiCoop, the proliferation of social enterprises is a cause for concern for PrintCoop. This is partly because of the inner limitations of the British co-operative movement, which is not strong. As someone said, 'We don't have a cooperative economy, as such. We have lots of groups, different coops enterprises, but there is no joined up cooperative development structure. (...) Our links are weak'. In addition to the limitations of the co-op movement, social enterprises had the support of the government and its policy-makers, which created general confusion where the boundaries were. As one respondent explained:

“[The co-op] message has been diluted in the past because of the various types of co-ops. (...) Also I think that co-ops [are] forms of work within the greater social economy… I think there is room for co-ops and social enterprises but [co-op] it’s not that kind of social businesses. (...) If the movement is not careful, bigger businesses will just jump on the bandwagon and say they are social businesses. (...) And I think we might have to be careful, we don’t want to get people joining for the wrong reasons” PrintCoop 34

The dilution of co-operative discourse in the UK in recent years is a consequence of the neoliberalisation ascendancy, the austerity discourse and the partnership between the
government and the SSE (Section 4.5). The concept of 'social enterprises' was proposed according to a top-down model, which has taken on board some of the co-operative justifications but shifted towards the market. The strength of the co-operative message given by its political underpinnings was replaced by an understanding of co-operation as a managerial strategy; the core of resistance present in the origins of the movement was severely eroded (Section 4.5). For instance, understanding co-operatives as 'a different way of getting the same result' than for-profit companies portrays cooperation according to economic means rather than its political ends and limits its concern to livelihood, which occludes the social potential (Section 3.5). It is a colonisation of co-operative principles by market ideology. Finally, the lack of engagement in political action already identified (Section 6.2) precludes transformation; PrintCoop acknowledges the lack of a co-operative economy and its weak links with the wider movement, but does not feel empowered to change this. Atomisation and individuality, as two features of the market rationale, are present in the discourse of PrintCoop. An example of this is that their interest in other SSE organisations had declined: as ‘When we started off we were very much interested in the third sector and campaigning groups and environmental organisations’.

The diminution of connections with other SSE and social organisations is part of the terrain won by neoliberalisation. There is a contradiction here: whereas one member acknowledged the diminution in support for other organisations, another stated the perception of an increasing interest in collective projects. As this person said ‘[I] feel a little bit like that sort of being on the idea of the collective as a way of organising and working. It's come back full circle’. However, this is not only a quantitative but more importantly, a qualitative process. In PrintCoop, the 'social element of the business could be doing a job for the community or a campaign group for free or for a reduced rate'. Hence, support to the community through ‘pro bono works’ or ‘donations' are single transactions with others. There is no reciprocity or solidarity present in such transactions.
(Section 3.5); therefore, they cannot build a collective construction. Conversely, co-ops rely on a philanthropic conception of support, which is opposed to any political standpoint and does not establish an equal social relationship. Once more, the lack of political action invalidates social transformation and associates co-ops with a palliative function.

In conclusion, we see clear differences between the two co-ops and their transformative potential. GrafiCoop is committed to enlarging the co-op movement and making alternative economic forms visible, in order to enlarge the frame of reference of economic action and challenge market hegemony. This, along with the transformation wrought in the SSE by ERTs, portrays GrafiCoop as part of the organic reaction towards marketisation. In contrast, PrintCoop is less engaged with political action, and partly as a consequence of the public support received by social enterprises, co-op discourse has been eroded. Consequently, PrintCoop has been to a greater extent transformed by marketisation and is inclined to philanthropy and benevolence recalling the palliative role of the SSE, whereas GrafiCoop is engaged in the construction of a bottom-up social movement that counteracts the consequences of marketisation.

Identity modern capitalism: individuality vs. collectivism

This section analyses the impact that market discourse has had on co-operative identity (Section 5.4; Figure 2), having as a backdrop the national setting. Liberal theory, which formed the basis for neoliberalisation, posits well-being as an individual responsibility (Section 3.2). Moreover, the representation of individuality over collectivism represents a transformation provoked by marketisation in contrast to the traditional values of the sector. However, only through a collective action it is possible to engender a radical change and the second stage of the double movement.

Transformations of ways of being in PrintCoop are linked with the decreasing importance of collectivisation. A member explained how neoliberalisation is affecting her: ‘Personally, I think it’s affecting me. It is affecting me a lot; I find it quite depressing
actually’. The personal impact undermines the collective institutions that might challenge the market ideas. In addition, they reflect that neoliberalisation has eroded forms of resistance, which also chimes with the lack of involvement in resistance and political action, discussed in Section 6.2. In their own words:

“For me neoliberalism is being a continuation of the capitalist project that is like a premise of the idea that state control needs to be removed. (...) I can categorically say [neoliberalism made] alternative forms of employment less popular (...) and indirectly but definitely is changing the way that work was perceived. (...) It’s not really seen as the one thing to be part of the union anymore, like you are kind of political if you’re unionised. [Years ago] That was like a standard thing. I guess perhaps it pushed those ideas out, more outside of the mainstream.” PrintCoop 46

“The cooperative movement is part of a movement that has to combat neoliberalism but it can’t articulate it on its own because it doesn’t explicitly identify itself as a kind of work. (...) The truth is that actually the cooperative movement as a kind of grassroots movement, is a self-help movement” PrintCoop 33

So transformations in the co-operative identity provoked by neoliberalisation are perceived at a personal level in PrintCoop—a reduction of personal space or a transformation of labour relations—but they do not coalesce as a collective recognition that enables social transformation. The inability to articulate responses implicitly accepts that the blame for failure is an individual failing rather a social or political issue. This is facilitated by the lack of an active political dimension, which has already been discussed. The lack of PrintCoop engagement in active resistance through the co-op movement does not permit a socialised response; there is a widespread acceptance of atomisation and no capacity to develop an effective response. When political action is absent, inertia appears: social responses cannot be articulated and individuals appear utterly responsible for their own destiny. Understanding co-ops as self-help organisations recalls their origin (Section 4.5); however, in those days it was a collective self-help movement rooted in the idea of political transformation. Conversely, in a context with
increasing individualisation, self-help means one individual helping another in isolation. Moreover, the severe erosion that unions have experienced in recent years is also an example of the de-collectivisation provoked by the neoliberalisation ascendancy. The current unchallenged understanding of neoliberalisation in PrintCoop suggests that the market turn was inevitable. This is rejected by a poststructural understanding, according to which market ideology has been absorbed and, therefore, accepted (Section 5.3).

In contrast to the acceptance of the individualisation in PrintCoop, for GrafiCoop collectivism is constitutive of its identity. Probably due to the economic crisis, members acknowledge that despite being ‘taught that you have to be successful individually’ they have learned from experience that this is not the case, and that the statement is ideological. This ideology has provoked a deep individual transformation, as ‘Employment labour relationships have deeply shaped people, [and many] couldn’t get used to this way of working. We used to be passive workers’. Conversely, the identity projected by GrafiCoop is collective and attached to resistance, as a member reveals:

“The good thing about working in a co-op is that you can defend yourself; we have a strong relationship with our work, our colleagues, and the venture. People in co-ops endure [economic difficulties] better, defend what belongs to them, their work” GrafiCoop

The idea of neoliberalisation as inevitable was present in Argentinian society before the crisis in 2001. However, the stronger the neoliberal policies the more evident it became that unemployment and poverty were social problems rather than a consequence of mistaken individual decisions. Hence, by the time the crisis started, some social answers were already drawn, and many others emerged as the crisis deepened. Collective identity was built on people struggling with tough living conditions, who realised that their difficulties would not be solved individually. This inspiration, which activated the agency capacity of social actors, was taken up by GrafiCoop and collective action became one of its pillars. This is a significant feature of the traditional co-op movement (Section 4.6),
rediscovered as a consequence of the socio-economic crisis. This is the positive outcome of the neoliberal experience in Argentina that is not shared in the UK, as the following quotations make clear:

“Co-operatives are the positive left-overs of neoliberalism. (...) The socio-economic crisis of 2001 was the trigger for ERTs and if nothing had happened, we would still have been as before” GrafiCoop 6

“The transition to neoliberalism (...) is the third way discussion that under that sort of guise of Labour made the idea of individual politics very coherent in the way that people function in the UK. So a lot of money was spent on things like entrepreneurship, so business schemes, so it was about one person being like [breaks off]. It’s like the ‘American Dream’, right? You can do it if you just work hard; that's just not true” PrintCoop 46

In Argentina the neoliberal turn resulted in the socio-economic crisis of 2001 whereas in the UK austerity is still an ongoing process. These different outcomes are the main reason for the divergent identities constructed in each country. Although the neoliberal turn led Argentina to the major socio-economic crisis of its history, the entire crisis of its structures gave place to creativity and made possible the re-appearance of old collective forms that stand in opposition to the current hegemony. This is acknowledged by members of GrafiCoop who locate the co-operative phenomenon in a historical context. Moreover, this reminds them of the very origins of their movement, in a context of harsh living conditions and oppression in the 19th century. Although the co-op movement has not been able to penetrate the state structure, neoliberalisation lit the spark of rebellion in society and made space for alternative forms of social organisation. Collectivisation broke individualism down and defied market hegemony in the pursuit of the second stage of the movement against marketisation and a transformation of society. The different speed that the neoliberal turn took in the UK, the stronger welfare system and more effective palliative responses can explain the lower intensity of political action. As neoliberalisation has emerged gradually, reaction was less fierce and sites of resistance
became deactivated over time. Social organisations have been immobilised by the sense of progression of the neoliberal process, which led them into inertia in the organisation of resistance. In this sense, social actors became used to these changes and were not able to develop reactive mechanisms, exemplified by marketisation noticed on a personal level rather than socially. The effectiveness in the first stage of the movement restrained the potential for serious radical change as I will discuss further in the Conclusion. However, events that have occurred in the last years, such as the Brexit vote, the appearance of a leader like Jeremy Corbyn, or the result of the last general election may be straws in the wind suggesting that change is on the way.

In short, neoliberalisation has proposed the idea of individuals as responsible for their own well-being, undermining the collectivisation ethic of the co-op movement. This transformed the style of PrintCoop, affecting its values and standpoints at an individual level and transforming the identity of the co-op. The significance of collective action has lost ground and any collective construction is absent, which blocked the potential of the second stage of the double movement. On the contrary, GrafiCoop emerged as a collective response to critical situations that were a consequence of market policies, and the organisation was structured around common values. Its identity is strongly attached to collective understandings, and the innovation of GrafiCoop points in this direction. It is an organic response to the limitations imposed by marketisation, reflecting its impulse to resist the hegemony. Having analysed the effects of marketisation on worker co-ops, it is time to move on to VOs.

8.3 The impact of the market ideology in voluntary organisations

To analyse the social practice of voluntary organisations (VOs) with regard to the hegemonic economic ideology I again use Fairclough’s three-layer model to deal with representations (discourse), social relations (genres), and the process of identification of
that practice *(styles)* (Figure 2). Differences in background and the particularities in the adoption of the neoliberal doctrine have configured diverse *frames of reference* of economic actions and the scope of the SSE. Whereas philanthropy was an element linked with the concept of citizenship in the UK (Section 4.5), it was mainly associated with Catholic beliefs in Argentina during the 20th century (Section 4.6). Nonetheless, the process of marketisation has changed this understanding. Hence, the results in the following sections outline whether VOs have been co-opted by neoliberalisation or resist it, in the pursuit of a palliative or transformative role respectively.

*Neither state nor market organisations, then what?*

This section analyses the discourse of VOs, which is expressed in representations. Neoliberalisation contradicts the values of counter-hegemonic organisations and allocates them a palliative role, linked to philanthropy and benevolence (Section 3.4), which only can be contested through political action. As stated in Section 3.4, the idea of the SSE as ‘neither public, nor private’ is linked theoretically to the palliative pole of the SSE. This, along with the concept of third sector and VOs filling gaps, is widespread despite representing different meanings.

“I think increasingly [the role of VO] is to fill the gaps between what the state provides and what people need. (…) They'd get wider and wider and wider. And there's an increasing reliance now on the third-sector organisations. (…) it's about society supporting each other and filling in the gaps where the state couldn't or wouldn't meet people's needs”

CommuniRing 45

“In my mind, [the role of VO] is very important ‘cause they fill the gaps the state can't fill”

Culturando 15

“Volunteering is different than clientelism or philanthropy. We don’t want to replace the state’s functions. It is a deeper change, we don’t want just to give them the afternoon meal” Culturando 32

Although at first glance the first two quotations might seem similar in terms of the role of
VO filling the gaps left by the state, the third one reveals there is a deeper motivation in Culturando. This is linked with the organisation's discourse presented in Section 6.3, which emerges from a reflection on class differences and leads members of Culturando to take action. Although both cases reveal that civic action is important and improves people’s living conditions, they are anchored in different motivations. The discourse of CommuniRing states that people have to support each other but does not question the social structure, as it is not the aim of the organisation. However, this reinforces the hegemonic economic ideas discussed in Section 3.2 rather than confronting them, and relies on individual self-help and others' benevolence to tackle difficulties. On the contrary, Culturando rejects the liberal principle that citizens are equal, understanding that class differences are at the centre of the conflict, and proposes a collective self-help linked with SSE principles (Section 4.6) along with a step back from the paternalistic role of the state. Taking social differences as a starting point, it builds up its own discourse about the role of voluntary organisations, reinforced by militancia, which is embedded in political action. Hence, Culturando’s discourse represents itself as politically active through militancy.

“It is linked with a [political] position and an ideology (...). I have a real conviction and I think [voluntary work] is important and necessary. (...) In my view it is linked with militancy, it is important to help solidarity, but it is a mistake to only do charity” Culturando 20

Relying on the Weberian theorisation of social action provided by Dash (2014) in Section 3.4, such action can be guided by values or the deliberate pursuit of a goal. Voluntary discourse in Culturando is linked with a rational action guided by the value of the common good; these values are enacted in the idea of militancy, which transforms members’ participation into a deep commitment, into ‘a way of resistance and a revolutionary form of organising power’ as one member said. Moreover, the reflection of social differences and the pursuit of change is also mobilised through militancy, which
reinforces the objective of achieving the common good in a virtuous circle. At this point it is important to remember that Culturando is an entirely self-funded organisation and has no links with the market; although this decision compromises its economic viability, it protects its common good purpose. This stands out from the language it uses, as business language is not present in the discourse of Culturando. Rather, it reflects a counter-hegemonic grassroots organisation through the use of words such as ‘resistance’, ‘ideology’, ‘conviction’, and ‘solidarity’. Culturando’s representation is different from those of NGOs or charities, as voluntary organisations’ discourse proposes a transformative logic of power and challenges social structures. Thus, the common social aim is to achieve social inclusion, and the market rationale has not permeated its core.

CommuniRing’s discourse has been permeated by market ideology and dominated by the restructuring process (*recontextualised*, see Figure 2). VOs have participated in public policies, which implied the transformation of the organisation and acceptance of new practices. This opened the door to the market rationale in a field that was governed by critical values. The idea of ‘efficiency’ transformed the whole organisation. Externally, CommuniRing has to prove its work is important, while internally, roles considered important are measured according to a market impact, as someone said, ‘I think it is also about showing [to the government] the service [of CommuniRing] is value for money. (...) I guess my role is really close to the impact of the personal relationships (...) to see that work is profitable, but profitable for my clients not for businesses’. The following two quotes expose the contradictions between the old and the new model:

“The [old model] philosophy is about not seeing people with learning disabilities but seeing them as an active and important part of the community. (...) [Austerity] made [VOs] more efficient and in other ways put them at the mercy of organisations like… definitely at the mercy of social services. (...) It introduced a very heavy monitoring of the social sector. So we had to be able to prove through paperwork what change we were making in people’s lives” CommuniRing 38 (Volunteer)
“Sometimes we have to be more creative [due to Austerity], I guess. We do have an hour-to-hour system so people get a phone 24 hours a day, if they have get a problem or there is an emergency or something. And if it can be can be dealt with over the phone, or sometimes it will be passed on to the manager on the next working day to respond”

CommuniRing 44 (Paid worker)

The discourse of austerity has permeated CommuniRing deeply as has the managerial discourse, which has transformed a range of practices leading to the introduction of heavy monitoring, providing evidence of impact, and embracing austerity as an opportunity to get the best out of everyone. Controversially, suggesting that cuts made workers more creative works as a readjustment of the discourse: in order to keep them believing in the organisation’s discourse, they should readapt it. The restructuring undertaken by CommuniRing neglected its principles: there is no evidence left of the idea of community or social inclusion or any other social value attached to the SSE. Rather, it was based on an economic rationale and the neoliberal idea of ‘do well by doing good’ discussed in Section 3.3. Market ideology imposed a particular understanding of efficiency, which leaked into CommuniRing’s discourse; taking back Weber’s words, voluntary discourse in CommuniRing is guided by the pursuit of a goal of delivering a social service at a lower cost. Being a profitable business does not mean the organisation is profitable for its clients, which was its first goal and is a clear sign of the mission drift it has gone through (Cornforth, 2014). Moreover, other actions were taken, such as reducing the number of voluntary workers’ flats, introducing the form of pure volunteers, and increasing significantly the workload for volunteers and paid workers.

In sum, the two voluntary organisations rely on the idea that they are neither state nor market organisations, but for different reasons: CommuniRing represents itself within the third sector, whereas Culturando uses this position to question both the market and the state. On this basis, the two understandings of the means and social ends are discursively built up. Immediately, the role of militancy appears in Culturando as the main
engine for social change and resistance to neoliberalisation; voluntary discourse is
guided by values and that is the rationale that determines its success. The role of
political action engenders radical potential. On the contrary, in the case of
CommuniRing, restructuring was undertaken under the premise of economic rationality
and it undermined the organisation’s original goals. Efficiency is currently centred on
finding a balance between economic costs and social output, which provokes
dissatisfaction amongst those who knew the previous model and the discursive re-
adaptation of those who have accepted it. The absorption of the market discourse in
CommuniRing has fundamentally compromised its original mission, and prevented the
articulation of social protection mechanisms. These diametrically opposed
representations might be explained by the differences in neoliberalisation: whereas in
Argentina it became unbearable and VOs acted in a reactive way, the second part of the
double movement has not yet emerged in the UK.

The transformation of social relations in the face of neoliberalisation

The representations that have just been discussed perform social relations and ways of
acting (Section 5.4; Figure 2), which are also constrained by the market ideology. As
exposed in Section 3.5, the transformative rationale of the SSE is built on reciprocal
social relations, not driven by the market rationale, and can engender radical change.
From a palliative understanding, SSE social relations are based on benevolence and
philanthropy, from where the hegemony cannot be questioned neither engender
contestation. This section reports the (re)production of social relations within the market
economy by the two voluntary organisations, uncovering the transformations they
experienced.

As described in Section 3.2, market ideology treats individuals either as workers or
consumers, enforced by symbolic violence that classifies people as things. The
immediate division of individuals differentiates those who can consume from those who
cannot; those who possess from those who do not. Hence, for ordinary people in a day-
to-day relationship, consumerism is a way to demonstrate which group they belong to. This becomes an issue in social relationships at Culturando given the impoverished context in which it finds itself, where most of those on the receiving end live on benefits. When identification as a consumer is not possible, symbolic violence mutates into real violence. Beneficiaries of Culturando experience severe needs along with the violence they beget, so Culturando’s social role is twofold. Volunteers are constantly ‘struggling against what is imposed by the market and a very violent consumerism. It’s very difficult to change, it’s a monster’. Hence, these differences are used as a basis to build up another social order, as they explain:

“They ask me “Why am I poor and you get this?” (...). Then it obviously challenges me and makes me change many things. ‘Let’s discuss it, let’s talk about society, about what happens’, I say to them” Culturando 32

As a result, the two different internal communities within Culturando reappear — volunteers and those on the receiving end—, which are differentiated by possession of goods. Although attempts are made to heal these differences through reciprocal social relationships, they re-appear constantly and are used as a trigger for discussions about inequality rather than violence. These discussions provide beneficiaries with the tools to question the dominant ideology and avoid the bedding in of hegemonic ways of acting, which can engender an organic reaction to transform the reality. The element that binds these two social groups is militancy and the conviction that social action is the way to prevent social annihilation. Philanthropy and benevolence are rejected vehemently in Culturando, as they only reproduce existing social conditions. However, the organisation performs a philanthropic role but only as a consequence of the overwhelming necessities participants face and as part of a broader aim. As someone said, ‘Our goal providing children with the afternoon snack is not assisting them but rather provoking a transformation of society [through the workshops and discussions]’. The core of the social relations in Culturando is explained as follows:
“Militancy is instrumental; it is not philanthropy (...) it’s about treating others, who are in an unfair situation due to society as equals, you’re neither better nor worse than anybody else. It’s about seeing how we transform society together. In my mind, this is transformative.” Culturando 18

Reciprocity, in opposition to benevolence or philanthropy, locates both giver and receiver at the same level, from where it is possible to build equal social relationships. Moreover, in the case of Culturando this is even more radical, as it equalises two social groups which are deeply unequal as a consequence of the current social order. The social relations that link people from different backgrounds are an innovation with respect to the market-oriented social order and militancy acts as a social protection against marketisation, wholly rejecting the SSE role as ameliorator of capitalism. Finally, Culturando considers the idea that the better-off should give something to the worst-off is colonising; rather it proposes a construction of equal social relations.

In contrast to the opposite market rationality of Culturando, the restructuring of CommuniRing has led it to became a business-oriented organisation that has assimilated the idea of social enterprises put forward by the government. Social relations have mutated from socially to economically driven. This is the second step along the movement of the organisation further from its goal in a process of mission drift, along with the change in discourses presented in the previous section. This movement is strongly criticised by some workers of the organisation, as these quotations show:

“Charities have become much more organised and now they run like businesses. OK, not profit businesses so they run on the people businesses model. The economic [order] has forced charities into a way of being which is not what they were. (...) Everything has tried to keep on going but it’s very difficult when the founding commitment was eroded (...) by austerity, by introducing a business model. (...) It’s a reverse of what it was before, it was just heart and no business, no business acumen. And now we are just left with the business.” CommuniRing 38 (Volunteer)

“I think increasingly the voluntary sector is being run like businesses. Quite a lot of the
time, a lot of energy and resources expended by the voluntary sector is on winning bids, on getting money and on getting the resources (...) So it's more about winning tenders, winning bids, winning funding, (...) Yes, it becomes just like any other business. You are trying to attract customers. You're trying to attract money."

CommuniRing 45 (Paid worker)

On this point, the business-oriented discourse of CommuniRing contrasts dramatically with its original common goal and the community discourse. Words such as 'funding', 'bids', 'customers', and 'business model' became part of its discourse after the restructuring, reflecting its permeability to marketisation. The market ideology has affected the organisation so deeply that it has entirely undermined its fundamental values in a process described by Cornforth (2014) as mission drift. Nonetheless, this is not something that occurred solely in this organisation; this is part of a hegemonic understanding of the SSE as a third sector and its role a public service provider put forward in the last decade (Section 4.5). A range of SSE organisations have been labelled as social enterprises and their practices homogenised, however, many of them had to give up their original aims in order to fit into the new categorisation. Thus, the shifting direction in which the voluntary sector has moved in the UK in the last decade reveals to what extent CommuniRing has been absorbed by the market discourse. As part of this logic, it is widely accepted that volunteering has become part of the labour market, which reinforces the marketisation of the sector. In the case of CommuniRing symbolic violence appears not in the form of consumers, but rather as workers, those with no work experience have to work as a volunteers in order to ‘build up their CVs’, as these quotations reveal:

"I wouldn’t have got my job with CommuniRing if I hadn’t been in that [voluntary work] internship by that time and working. (...) I work with someone who (...) volunteers to build up his CV. (...) Voluntary work would be just really empowering because it’s a great thing to do, [but] most of the work has been quite mundane and it wasn’t really building skills necessarily” CommuniRing 40 (Volunteer)
“I suppose that people who do voluntary work do it for different reasons anyway. (...) Some people are doing it because they can’t find paid work. (...) Some people do it because they like to give something back to the community. (...) And some people do it because it’s good for them. It’s sort of training for them so they get kind of skills that they could use it to get a job” CommuniRing 42 (Paid worker)

There is a difference between volunteering, based on a free decision to do something for others, and work for free in exchange for work experience. This latter reveals an utterly market-based rationale of transaction which stands in stark contrast to the original motivation of the SSE discussed in Section 3.5 and 4.4. Years ago, volunteering in the UK was part of the idea of citizenship built up during the interwar period about helping others who were having difficulties (Section 4.5). This was linked with the protestant underpinnings about demonstrating grace as a condition of access to heaven (Section 3.4). However, marketisation has affected the nature of voluntary social relations in CommuniRing in two ways. On the one hand, it has not only affected the structure and rationality of voluntary organisations but also the reasons for volunteering. Young people, mainly from poorly connected backgrounds, are forced to volunteer in order to get work experience for a future paid job, which strengthens social divisions. It has become a naturalised fact that the voluntary sector is a place to find a first job; it is used in order to develop ‘transferable skills’ and values. This reinforces the idea of the SSE as a second-best employment option outlined in Section 3.4 and contradicts the values of the sector. On the other hand, volunteering has become a non-monetary paid-job, which might result in a precarious labour form. Hence, not only has the market discourse been absorbed by CommuniRing, but also it has transformed volunteering into a labour social relation (operationalization, see Figure 2).

In sum, social relations in a neoliberal context perform distinctly in Culturando and CommuniRing. The Argentinian VO rejects philanthropy and any form of clientelism and proposes reciprocal social relations instead. Moreover, it challenges the increasingly consumerist society and the violence it provokes in those who cannot get access to
possessions. Through militancy, Culturando engenders radical reactions to marketisation and resists its hegemony. In contrast, the role played by the market economy in the British VO is entirely distinct. It has adopted the business model, particularly after the restructuring, which has provoked a deviation of resources from its original goal towards a market orientation. Moreover, the social relations of volunteering have been transformed into precarious labour; the idea of the voluntary sector as a first-job provider has been naturalised even for its own workers. The role that neoliberalisation has imposed on VOs has been accepted by CommuniRing, which does not challenge the symbolic violence of the hegemonic discourse. It has been deeply transformed by the marketisation process, which has provoked negative effects on the organisation, their beneficiaries, and the SSE as a whole.

The meaning of caring for others in the neoliberal society

It has been argued in Section 3.2 that neoliberalisation is currently the hegemonic discourse, which despite presenting itself as inevitable, has a historical nature. Within this order, people identify themselves and others, what Fairclough would call styles (Figure 2). As pointed out before, within the neoliberal order individual responsibility obscures the capacity of the social structure to achieve well-being. An example of this is Margaret Thatcher’s statement, ‘There is no such thing as society’ (1987), in which she disqualified any collective response, arguing that only individuals have existence. Therefore, the identification by VOs’ with individualism is the consequence of marketisation, as it is opposed to the original values of mutual-aid societies. They relied on collective action as a means to provoke a change in society, counteract the effects of marketisation and cause the second stage of the double movement. Based on this rationale, this section discusses to what extent voluntary organisations have embraced market ideology and individualism and how this has transformed the notion of care, which is central to the two VOs on which this research is focused.
The evolution of philanthropic organisations and charities in the UK was discussed in Section 4.5, and its mutation from taking responsibility for one another to fend for themselves. The transformations provoked by austerity were not only in everyday life, meaning that people should take care of each other, but also characterised by the shift in the provision of social services from the state to the private or 'third sector'. Members of CommuniRing understand that 'The idea of the Conservative government is that people (...) should look after themselves and the state should be small and should not intervene in things like this', which dramatically changed the previous model in which the state was responsible for vulnerable people. They explain how these changes affected CommuniRing:

“[We’re] probably trying to cover the same with less resources. We do end up focusing on people who are maybe in more of a crisis. (...) Capitalism is quite resilient (...) I think it would probably find a way to keep us in our place. And yes, I think you have to have quite a strong movement. I suppose, which isn’t something we really do” CommuniRing 42 (Paid worker)

“There's an increasing reliance now on the third-sector organisations. (...) it’s about society supporting each other and filling in the gaps where the state couldn't or wouldn't meet people's needs” CommuniRing 45 (Paid worker)

It has already been pointed out that the significant decline in the community model of CommuniRing is a victory for market ideology. Through the interviews it is possible to see the discursive transformation behind the idea of supporting others. Back in the 1920s, individual difficulties affected the collective; for this reason it was assumed that good citizens should help others in order to enhance national development and solidarity was at the centre of the social relationship. However, this conception was reinterpreted by the Conservative Party in the light of neoliberalisation ascendance. It emerged as the better-off taking care of the worst-off, which could be conceptualised as a private source of well-being. Nonetheless this was changed into everyone being responsible to take care of themselves, without recognising that this is restrained by the position individuals
occupy in society, and denying any place for solidarity. Collective articulations were dismembered. This is part of the vicious circle of austerity, which leaves more unmet needs and an increasing reliance on voluntary organisations to fulfil them. Moreover, the lack of a strong social movement that questions austerity as the only way out of the financial crisis reinforces the neoliberal standpoint that any form of social solidarity has to be dismantled, the role of the state should be minimal, the private sector is the most rational, and people have to look after themselves. Hence, this reveals the deep degree of the transformations experienced by CommuniRing as a consequence of marketisation, and that no social protection mechanism can be built up from isolated individuals.

In opposition to the neoliberalisation process experienced in the UK, the economic crisis in Argentina put an end to market policies and its underpinnings, and showed that collectivisation was the only way out for ordinary people. Culturando’s members realised the disintegration that marketisation provoked in Argentinian society, and the difficulties it left in ‘committing ourselves in the long term, [which made us] to individualism’. Hence, Culturando recognises the ongoing individuation process, and tries to combat it through the identification of volunteers and beneficiaries through collective action.

"[Capitalism] needs to generate exclusion in order to make it work for one social group, and marginalised workers with no access to health care or education. And it needs them to keep working. So it is right in that point where we want to provoke the change. We do not naturalise poverty, exclusion" Culturando 20

"Reality has changed since 2001. However, for many people in this neighbourhood basic needs are unmet both today and 15 years ago, although in a different way. They have no jobs, they are on benefits" Culturando 29

It is worth remembering that Culturando was founded during a time of turmoil in which social movements appeared in opposition to political parties and this feature is still present in the organisation. Despite the fact that social movements reappeared during the crisis, the de-collectivisation process that Argentinian society has gone through
during the 1990s is well documented and discussed (Section 4.6). During the crisis, individualism was pointed out as part of the problem and solutions relied on the working-class social capital in facing tough economic and social situations. Culturando was collectively conceived by a group of primary-school teachers as a response to the dramatic social and economic difficulties their students’ families were going through, and collectivism is imprinted at the heart of the organisation. Although it emerged from the community, individual insights are still present. Moreover, despite an improvement in the Argentinian economy, the poorest have not seen the benefit and exclusion is still an important social problem.

In short, market ideology has leaked into the two voluntary organisations’ discourses differently. In the case of CommuniRing, it has not challenged the individualising idea that everyone has to take care of themselves. This new approach is atomising and socially demoralising. Moreover, the lack of strong social movements that could restrain neoliberalisation makes it difficult to articulate any response. This neglects the tradition of mutual-aid societies and the lack of a collective construction prevents the second stage of the double movement, which counteracts marketisation and challenges the palliative role. However, as mentioned before, the welfare state has showed severe limitations as a consequence of under-funding, and this might engender future organic reactions. At the same time, the consequences of market policies are still present in Argentina, although it has moved away from that economic model more than a decade ago. Nonetheless, poverty and marginality are still social phenomena that can be found only two miles away from the Parliament, where Culturando is based. Despite all these structural limitations, Culturando aims to tackle these social issues, although it is an extremely difficult task. The organisation itself emerged as a radical response to the difficulties provoked by marketisation, and relies on the value of collectivisation to keep resisting marketisation and propose an alternative view of society. The next section provides a comprehensive analysis of the SSE as a whole.
8.4 Comparing the impact of neoliberalisation on the SSE

As with the other result chapters, I complete the discussion with a transversal analysis by country to provide a comprehensive account of the SSE as a sector. The purpose of this chapter was to scrutinise the transformations that the SSE experienced as a consequence of marketisation, and to find out whether SSE organisations have kept a clear mission and punctured market ideas or have become blunted because the market discourse was too dominant. Hence, if they contest it, they can be conceptualised as a point of resistance in the pursuit of an alternative economic system. In contrast, if they have absorbed it and moved away from the traditional values of the SSE, they have become organisations seeking to ameliorate the worst impacts of capitalism. I find Polanyi’s concept of the double movement a useful theoretical tool in this analysis. In response to the difficulties caused by the economic system, people first palliate them. However, when they become intolerable, endogenous responses emerge with the aim of transforming the system, in the second part of the movement.

It is not just the SSE but the whole of society that has been exposed to neoliberalisation. British SSE organisations have absorbed the market discourse to a greater extent. This has transformed their representations towards managerialism, the business mind-set and efficiency. In an attempt to adapt itself to the neoliberal turn, the SSE has demonstrated its resilience although at a very high cost: compromising its historical values, seeing political contestation significantly eroded and therefore, making the potential for serious radical change non-viable. This has affected VOs to a greater extent than co-ops, since the later understand co-operation as a managerial strategy, are still able to maintain other social values in terms of job generation. In the case of CommuniRing, the market discourse has deeply transformed its own practices, reshaping the meaning of voluntary work as a form of labour precarisation with workers embracing the austerity discourse, and leading to the disappearance of its common
social aim. Hence, the representation of British SSE organisations remains at the palliative pole, providing resources to tackle neoliberal consequences.

Neoliberalisation has affected Argentina differently. The ferocity of the crisis activated social organic resistance, which widened the frame of reference of the SSE and economic action, leading to the appearance of multiple types of organisations, and deepening its radical edge. Although this remains untouched for many SSE organisations, others have moved towards the market partly, in order to minimise negative judgements about the SSE. This is a critique made of GrafiCoop in particular, although marketisation did not compromise their political principles even when it made them less efficient in market terms. In this sense, political values and militancy have acted as a restraint on marketisation, which has been powerful for many SSE organisations that emerged during the last socio-economic, as both Culturando and GrafiCoop. This engendered the radical commitment in Culturando, which proposes the transformation of society. In sum, the strong sense of militancy is rooted in the traditional values of the sector and its socio-political demands, which is linked with the pursuit of an alternative economic model.

Neoliberalisation has also transformed the social relations of VOs. As suggested before, SSE in Argentina provoked a double movement, as it reacted radically against neoliberalisation. An example of this is the bottom-up proliferation of SSE organisations during the crisis, which finally forced the government to recognise them (Section 4.6). This direction of emergence is partly explained by the deeper political consciousness of social movements and the collective sense that relied on reciprocal and solidarity values linked with the origins of worker movement and the SSE in the country. This is reflected in both Culturando and GrafiCoop, which are built on reciprocal social relations. Moreover, these political underpinnings led actors to understand the need to build up strong social relations among themselves and to question social differences in order to transform reality. Additionally, the qualitative and quantitative multiplication of SSE
organisations enlarged the framework of reference of economic action, limiting the
influence of marketisation in the whole society and making room for alternative economic
forms. Nonetheless, despite these positive outcomes, the hegemonic market paradigm
remains unchallenged.

The continual exposure to a long-term mild neoliberalisation in the UK, which guided a
process of systematic cutbacks over the last 40 years, has provoked a dilution of
collective responses and therefore, their discourses. Collective self-help has become
individualised, and solidarity and reciprocal values have been replaced by benevolence
and philanthropy, without challenging social differences, which was found in greater
extent in CommuniRing but also PrintCoop. Because the welfare state was relatively
strong and palliative responses were efficient in tackling needs. This disarticulated social
relations of resistance and marketisation found no strong opposition. To some extent,
this was possible due to the lack or low degree of political action in the sector, which
consequently precludes social transformation. The idea of a partnership between the
government and the ‘third sector’ was a top-down strategy that eroded SSE principles
remarkably effectively. As a consequence, social enterprises have gained significant
terrain to the detriment of both VOs and co-ops, and occluded the possibility for the
second stage towards the double movement. In sum, organisations of the SSE are more
inclined towards the market than was the case decades ago as a consequence of
marketisation, and the inertia of the SSE is leading it towards its own dissolution.

Identities were also permeated by the market discourse in Britain, which put forward a
strong individualising identity, which clashes with the SSE values, and suggests that
each individual is responsible for his/ her own wellbeing. Throughout the years of
neoliberalisation, this identity has been embodied in the British SSE. Those most
affected have been VOs, particularly since the partnership with the state was
established. Austerity was the final step in this transformation, using the deficit as a
justification for the reduction of welfare expenditure. Moreover, as the withdrawal of the
state left empty spaces, people facing needs looked for support to the VOs. However, they had fewer resources than before, and the only solution was to follow government’s advice of relying on each other. The same movement towards individualisation was experienced in PrintCoop. Although its internal relations are redolent of co-operation, its weak links with the wider movement left it in an atomised position. In both organisations, identification remains at the individual level, which prevents the articulation of collective resistance and made the acceptance of the neoliberal turn inevitable. Despite the fact that the neoliberal identity is widespread, it is possible to articulate a collective identity to minimise neoliberalisation through political engagement and participation.

In Argentina, individualism was dominant before the socio-economic crisis in 2001 (Section 4.6). From extreme necessity, transformative collective identities appeared, such as the ERTs, which transformed the spectrum of the SSE. They appeared as points of resistance not only in economic, but also political terms, challenging neoliberal ideology as a whole. Moreover, collectivisation was the only way out of poverty, exclusion, precarisation, and individualisation, which not only created organisations but networks. For this reason collective identities are extremely strong in Argentina, as they emerge bottom-up as the only solution that society could put into practice when neoliberalism was dominant. In this sense, the enlargement of the SSE can be seen as a positive consequence of the neoliberal discourse, identified with resistance and instaurating the second stage of the double movement and the transformation of the economy.

8.5 Conclusion

In this chapter I have analysed the transformations of the SSE as a consequence of the neoliberal ascendency, placing the focus on the absorption of its discourse and the erosion of traditional SSE values. This helped me to answer whether the SSE can be considered a point of resistance and can create endogenous protection mechanisms
against marketisation, in the second stage of Polanyi’s double movement, or whether it has remained trapped in neoliberalism and its own means of coping with social and economic difficulties. As argued in Section 3.2, neoliberalism has managed to create hegemony, particularly in the economic sphere. However, austerity has demonstrated this has been pushed too hard, which may explain the current lack of faith in politics and the undermining of society.

Neoliberalism has severely failed in Argentina. The SSE appeared as a point of resistance that challenged individualisation and the market rationale as the only possible basis for economic action. It activated the second stage of the double movement in a reactive way. The SSE has punctured neoliberal discourse, exposing it as an ideology, and opening up spaces for social transformation on the basis of collective action. The crisis in 2001 worked as an inflection point in tolerating marketisation, and many SSE organisations were rooted in anti-market principles. They expanded the frame of reference of economic action and helped to make alternative forms visible to the whole society, bringing the political dimension back into economic ventures and voluntary organisations, and recalling the tradition of the SSE. Although this sounds promising, this is an ongoing process; therefore, no final conclusions can be drawn yet. Moreover, in light of the policy changes implemented by the Macri government, the SSE may yet be disarticulated, backtracking it to its palliative role.

I conclude that the neoliberal hegemony has remained untouched as the dominant economic discourse in the UK for the last 40 years. Policy transformation has been undertaken step-by-step, which along with the strong welfare state system, created significant success for the palliative aspect of the SSE. Consequently, this undermined resistance through all those years and prevented its articulation. The SSE has become blunted by neoliberal discourse, and individualisation is widespread and unchallenged. The first stage of the movement has worked in providing superficial solutions, which left the SSE and social movements unable to articulate the second stage. Hence, the space
for the SSE is only to provide what neither the state nor the market can provide, and enact the role of the third sector. However, in the light of recent events, marketisation seems to be reaching a critical point. The massive political crisis the UK is facing both internally and externally might lead it to a similar place to where Argentina was when the crisis occurred. The indications are that neoliberal hegemony has over-reached itself and it is not unusual now to hear that capitalism is in crisis. Neoliberalism may not be assumed to the obvious answer and it could be that it is no longer the case that ‘there is no alternative’. The British welfare state and its entrenched political institutions are in crisis; the deterioration of the main welfare state services, such as the health and social care, education, and pensions, is severe (Taylor-Gooby, 2013). This may represent the failure of the hegemony, and could create radical potential. Points of resistance appear more vivid in turbulent times, when it becomes possible to see through the cracks of the hegemony. Maybe the SSE, which was reduced to ashes during the years of austerity, is ready to rise again?
CHAPTER 9

CONCLUSION

THE SOCIAL AND SOLIDARITY ECONOMY: PALLIATIVE AND TRANSFORMATIVE

9.1 Introduction

In this chapter, I pull together the arguments and findings of my research and explore how the fragments outlined in Chapters 6, 7 and 8 can help us to begin to form a picture about the role of the SSE in the global neoliberal context. In this research, I have attempted to produce a three-dimensional image of the SSE in relation to the role of organisations, their links with public policies, and the impact provoked by the market ideology. These three strands help me to draw conclusions about the four organisations I studied and their role in terms of the palliative—transformative dichotomy.

I began this thesis by questioning the capacity of the current economic system to provide a decent livelihood for all, despite the expansion in economic activity in the second half of the 20th century. In Chapter 2 I argued that economic crises have accelerated in the last three decades, and that neoliberalism has proved unable to offer solutions, although it has become the economic orthodoxy. Among the responses brought forward by civil
society, I focused on the Social and Solidarity Economy, which through its history has proved to provide solutions to economic, political and social difficulties. However, the variety of SSE organisations demonstrate that not all of them pursue the same goal; whereas some encourage independence, autonomy, and a more egalitarian world, others have worked as alleviators of the consequences produced by the current economic system and did not challenge it. This diametric opposition in the role of the SSE led me to question its ultimate function in the 21st century.

Previous scholars have also reflected these two opposed understandings of the SSE. In Chapter 3 I explored how following the divisions of economic theory —neoclassical and substantivist—, the SSE is consequently conceptualised within the palliative—transformative tension. Having this dichotomy as the main framework of my research, I discussed in Chapter 4 the attention that the SSE received through public policy in Argentina and the UK, and argued that policies relied on an understanding of the SSE as a palliative means to tackle the negative consequences of capitalism. In Chapter 5 I outlined the philosophical framework of my research, which addressed powerful forces in all its forms (economic, colonial, and knowledge) and critically challenged them. The selection of Critical Discourse Analysis and critical ethnography is also consistent with this ontological and epistemological position. The inherent dichotomy of the SSE was later traced in the four case-study selected for this research, focused on the organisations in Chapter 6 and the understanding made by the public policies about the sector in Chapter 7. Moreover, as neoliberalism is the hegemonic regime, detached from neoclassical economic theory, I explored in Chapter 8 the transformations experienced by the SSE due to marketisation, and whether it is still a place of resistance or has been co-opted by neoliberal principles.

The dismantling of the welfare state and the subsequent adoption of austerity policies have pushed governments to identify partners in the welfare services provision. The SSE appeared as a suitable option as a consequence of its prior expertise in this role and its
local articulation, which led to the development of the Kirchner era policies in Argentina and the Big Society in the UK. I analysed this partnership also through the lenses of the palliative—transformative tension. In parallel with the theorisations of the SSE outlined in Chapter 3, in Chapter 4 I showed how the literature about public policies also highlights contradictory explanations for the partnership. This led me to raise questions about whether the SSE has been absorbed into the government’s ambit as a golden solution for every social issue, or if the SSE has itself benefited from the shift from the margin to the mainstream economy. Chapter 7 analysed the tension from the empirical point of view, exploring how SSE organisations understood these policies and whether they could remain attached to the traditional values of the SSE or they had been co-opted under the government’s scope.

This research revolves around economic theory and action broadly defined (Section 3.3), in contradiction to the narrow view represented by neoclassical economics (see Section 3.2). Market ideology suggests that individuals are motivated on the basis of individual interest. It therefore rejects collective action, and posits that the economy as detached from the social world. This ideology understands the SSE as a means to minimise the impact that economic action has on the most vulnerable, resulting in a palliative theorisation. On the other hand, substantivist economics challenges the hegemonic economic theory and understands economic action as a way to transform social reality. Within this framework, the economy is redefined as part of the social world and the SSE is engaged with emancipating economics as an alternative to the market. This is what I have identified as the immanent tension of the SSE: whether it should be seen as an alternative to capitalism or a means of ameliorating its worst effects, in both social and economic terms (Section 3.4). Particularly, the three research questions that triggered this analysis are the following:
RQ1: To what extent do participants in SSE organisations in the UK and Argentina see them as a basis for resistance to neoliberalism, providing socio-political and economic well-being, or a means of ameliorating its worst impacts?

RQ2- Have Argentinian and British governments supported the SSE in order to empower its organisations or to limit their own responsibility for welfare?

RQ3- To what extent are the transformations experienced by the SSE the result of a marketisation process arising from the neoliberal hegemony or to what extent is it still a place of resistance?

I used these questions to guide this research. They operated as areas of knowledge that could help me to depict the image of the role of the SSE as a compound of the role of organisations, their links with the government, and the effects of the ascendancy of marketisation on them. Considering the complexity of this research, given the two types of organisation and the two countries, I relied on a broad focal theory for the analysis of the SSE to reach my conclusions. Substantivist economics allowed me to criticise hegemonic economic wisdom and make explicit the limitations of neoliberalisation and the palliative utilisation of the SSE to provide solutions for large sectors of the population. In the analysis of the impact of marketisation on the SSE, and to find whether it is still a place of resistance, the Polanyian concept of *double movement* was instrumental. In this difficulties caused by the economic system are first treated through palliative care thus easing the worst excesses and prolonging life, and then, when they become intolerable produce organic responses that aim to transform the economic structure. Moreover, asymmetry of power between hegemonic and counter-hegemonic economic theories makes invisible contesting argumentations. Therefore, Critical Discourse Analysis was the research methodology as it uncovers power relations and investigates critically inequality and how it is legitimised through discourse, in order to change oppressing structures. As a result, I argue that the palliative—transformative tension encountered in academic literature is part of a hegemonic struggle that occurs within each organisation,
and my work reveals where the SSE finds the balance between these two opposing forces.

In this chapter, I provide an overview of the argument as I have drawn it throughout the thesis, to contribute to a critical appraisal of economic theory and discussion of the SSE as a palliative or an alternative to capitalism (Section 9.2). In addition, I explain how I have approached my research questions and outline the contributions to knowledge developed in each chapter (Section 9.3). Not only has this research broadened significantly my knowledge of the field but it has also opened up new questions about it, which could lead to future opportunities for research. Conversely, this analysis also made me acknowledge the limitations of the choices I have made for this work, and opened up new research questions for future work (Section 9.4).

9.2 Elucidating the tension of the SSE

The analysis presented in this thesis exposes that the SSE is a field of evolving internal dispute. My theorisation, far from glossing over this, makes the palliative—transformative dichotomy the centre of the conceptualisation, from where it is possible to reveal the SSE in all its complexity. Not understanding it in this way might lead us to underplay its attempts to broaden the spectrum of economic action, to neglect its efforts to build up diverse social relations even in the case of isolated events or persons, and to misjudge to what extent neoliberalism has transformed it. Moreover, theorisations of the SSE as either palliative or alternative represent totalising ideas that do not reflect reality, which contradicts the principles of this research where I have committed to remain, deeply engaged in not reducing any experience to another. In this sense, although they are contradictory terms anchored in opposed ontological positions, both should be included in the conceptualisation of the SSE. Rather than being mutually exclusive, they delimit a spectrum along which SSE organisations locate themselves and evolve.
I have demonstrated in Chapter 3 the problems of the market-oriented conceptualisation of the SSE. First, I argued that the market discourse has shaped the practices not only of policy-makers but also of ordinary people, even when it goes against their own interests, enhancing the principle of instrumental rationality. At a macro level, this provoked a deliberate disarticulation of workers’ resistance organisations through government action, but also on the micro level it put forward an individual rationality that sabotages traditional collective responses, articulated in times of turmoil. In other words, the spread of the market ideology, and therefore its own version of reality, was twofold. As I have argued, the social structure is based on the hegemonic values, which are internalised by individuals, and which constitute and constrain social practices. In this vein, counter-hegemonic economic forms have been constantly downplayed from the top-down but also the bottom-up. Hence, this is the first limitation that SSE organisations face: they must tackle not only external obstacles but also those that are internalised by their own members. As part of this understanding of the economy, the SSE was theorised as a means to tackle the consequences of the economic model, without challenging it, as a second-best option, theorised in a subordinated position, which I consider leaves it vulnerable to market and government pressure. This approach has been taken up by many governments through the idea of partnership and suffused the sector with the neoliberal rationale of competitiveness, pushing it a step closer to the market. This evolved from the construction of the idea of a third sector, which is a fiction, because as my research shows, there is no homogenous sector, rather a group of different types of organisation that do different work on the basis of different values (Chapter 6). Moreover, this approach remains at the first stage of Polanyi’s double movement, in which the economy is pushed towards marketisation and can undermine its strength of society.

Although market discourse is truly hegemonic, non-capitalist and non-market initiatives have appeared, which called into question neoliberalisation and its inability to provide well-being and suggested that the SSE is part of an alternative economic framework,
centred on people and well-being rather than market rules and profit. It provokes a hegemonic struggle in the meaning of economic actions and ultimately the economy, expanding the limits proposed by the hegemonic thinking. This opens up the possibility of imagining a new and quite distinct economic future, in which economic action is embedded in society rather than apart from it. SSE organisations appeared as points of resistance that emerged from the centre of capitalism’s own limitations; rather than accepting obediently the economic order, through associations, individuals found ways to tackle its consequences. Moreover, although the neoliberal hegemony has attempted to disempower people and undermined collective action, SSE is still there on the economic spectrum providing services and well-being, despite the fact that its role might have changed during the 20th century.

Due to the nature of my research question, I felt bound to work on the articulation of competing theories. Cooperative researchers are always constrained by the limited nature of the research area and the scarcity of specifically tailored theory, meaning that one is forced to adopt a somewhat eclectic approach. Secondly, the concept of Social and Solidarity Economy (SSE) has not been widely used in the context of the UK (having been developed by majority world scholars), which required me to introduce this theory to the reader. The comparative nature of my research, based in two very different societies, also raised theoretical challenges. These factors led me to rely on several different theories as well as developing my own theoretical framing by way of the palliative-transformative dichotomy, which grew out of my review of the literature. Based on my empirical analysis, I demonstrate that these two poles —palliative and transformative— are the two ends of a spectrum, and SSE organisations combine to different extents elements of the two. This whole spectrum, which I referred as frame of reference of economic action in Section 3.3, has been shaped and transformed by historical processes, such as neoliberalisation. In the Argentinian case, the economic crisis caused the structure crash and wounded
market-oriented theorisations of the economy. This consequently opened up spaces of resistance, both out of necessity and ideology, far from classical economic views, and created a flourishing environment for social movements and alternative economic forms (Section 4.6). In Britain, neoliberalisation is a process that has been developing slowly but steadily for the last 40 years. Like water dropping onto a rock it was slowly eroded communitarian values. The welfare state provided effective palliative solutions to socio-economic difficulties, which undermined resistance and prevented its re-articulation. Collective mechanisms have been disarticulated one by one, limiting the strength of resistance reinforced by the individualisation of society. This constant process has also provoked a general disempowerment of society, even in those that are very critical of this process. Hence, responses that dealt with difficult social and economic situations have been first co-opted by the state, and then through austerity, its funding was cut (Section 4.5). Thus, despite the fact that Argentinian SSE is more inclined towards the alternative pole and the British is located nearer the palliative, glimpses of resistance be found in each, and I observed how market discourse has transformed the practices of the SSE in both locations. Moreover, although it exceeds the scope of this research, I wondered whether the latest political events in Britain may be considered reaction against marketisation, towards the second stage of the double movement, similarly to what happened in Argentina in 2001.

I observed how hegemonic values have been internalised by SSE members, even when they oppose their own interests, and how the hegemonic economic discourse constrains their practices. In the Argentinian case these hegemonic values are mediated by the government's understanding of the SSE, which is also palliative, whereas in the UK it is directly linked with the market economy. Thinking of the SSE as ‘benevolent capitalism’ or using managerial language as in the UK, or relying on the government in a clientelistic way as in Argentina are insights into the change neoliberalisation has provoked on the SSE discourse, and therefore, its practices. These concepts have been adopted —
consciously or unconsciously— and reflect the permeability of the SSE to the market discourse. Even in cases where the organisations recognised that those values are not what they stand for, they still use that language, reflecting that neoliberalism has transformed the SSE. Even when they say they are resistant to the market hegemony and propose themselves as an alternative, they are slowly adopting its language and practices. Although this is difficult to acknowledge, ignoring this process is even more harmful for the SSE, and not recognising this as part of the current problems of the sector perpetuates the hegemony of neoliberalisation.

I now present directly the insights that each research question yielded. I want to stress that they worked as areas of knowledge that helped me to depict a comprehensive picture of the SSE organisations I studied and they complemented each other, enabling me to formulate the problematization presented in this thesis. These three questions provide a novel understanding of the SSE and the role of the organisations in the 21st century. My first research question was,

RQ1: To what extent do participants in SSE organisations in the UK and Argentina see them as a basis for resistance to neoliberalism, providing socio-political and economic well-being, or a means of ameliorating its worst impacts?

Guided by this question, I explored the current role of SSE organisations in the provision of livelihood, welfare, or well-being and the inner contradictions in each organisation with regard to the transformative and palliative discourses. I first analysed the discourses of the organisations, where I demonstrated that SSE organisations in Argentina are politically engaged and seek a transformation of reality, whereas in the UK the VO has been co-opted by the corporate discourse and the co-op understands itself as an alternative way of production within capitalism. In part, Argentinian understanding is a response to the last economic crisis experienced in 2001, which made people engage in collective action and transformed this into a form of militancy. A similar process occurred
in the UK in the 1970s, although its impact has faded over time, partly because of the overpowering nature of the neoliberal ideology and the success of market economy and welfare state, which has disempowered the population in recent decades.

Moreover, market ideology also sabotages channels for collective participation and fruitful links with other organisations. The fragmentation of organisations responds to neoliberal interests and the individuality it proposes. British organisations are poorly networked or isolated. In addition to their political disempowerment, they are not able to challenge the subordinated position the market ideology imposes on them. In contrast, in Argentinian SSE organisations are highly networked, which was a strategy they used to minimise the impact of the market on them, to increase their sustainability and make themselves visible. Given the significance of their political underpinnings, I conceptualised Argentinian SSE organisations as dual-function ventures, which have an immediate aim but also a long-term goal generally engaged with social transformation.

As I argued in Section 3.2, market ideology has separated the social and economic dimensions of life; in contrast, their interconnection reflects the SSE principles. The economic side of British SSE organisations is significant and overlooks the social. I have argued that the market rationale has transformed the practice of British SSE organisations, suggesting that the co-op is a form of fair labour relationship, and the VO provides specific support rather than meaningful social relationships. In contrast, the social and economic dimensions are totally intertwined in Argentinian organisations, to the extent that in some cases the social might compromise the economic wellbeing of the organisation. Through this analysis I revealed that market rationale has been greatly absorbed by the British SSE compared with the Argentinian. Finally, regarding the analysis of SSE identities, I highlighted the significance of a binding ideology in the conservation of SSE principles. In this vein, the identification with co-operative principles in both co-ops acts as a shield against market ideology, although it is permeated by the hegemonic discourse. On the contrary, the case of CommuniRing reveals that the lack of
these guiding principles can lead to severe mission drift. In short, the result of my analysis based on the organisations revealed that they are transversed by market ideology to different extents, and proves the coexistence of the two poles of the tension I have identified in the literature.

The SSE organisations I studied are located on a spectrum between the palliative and transformative poles and the presence of a political element, linked with the traditional values of the SSE, is central in defining the role of the organisation towards an alternative form of economy. In contrast, a lack of political engagement might be considered a victory for the market discourse, which has eroded the radical dimension of the SSE and disempowered its members.

British SSE organisations are located towards the palliative pole and seem permeated by the market rationale. CommuniRing is at the far end of this spectrum as a consequence of the restructuring it has gone through in response to austerity policies. The new model of the organisation is entirely aligned with market values, even further from the traditional values of the sector such as philanthropy and charity. PrintCoop is closer to the centre and merges transformative elements, such as the co-operative work identity in relation with workers’ autonomy or very political individuals, with palliative traces with regard to the understanding of the organisation primarily as a business, the lack of solidarity to bind the economic and the social dimensions of the organisation, and the understanding of the co-operative network in economic terms. Despite these transformative elements, the organisation reflects itself within the market, and does not challenge this reality. GrafiCoop is also located near the centre of the spectrum but a step further towards the alternative pole. It is deeply engaged with the radical ideas of the SSE and the co-op movement; however its empowerment is conditioned by its relations with government’s institutions, which will be analysed in the next section. It defines itself as a socio-political organisation, and reunites the social and economic dimensions, which respond to the substantive economic approach explored in this thesis about the re-embeddedness of
economy, society and politics. Moreover, its political commitment is also in relation with engaging the co-operative movement, supporting other organisations of the SSE, and establishing social relations through a network that aims to foster the sector economic and politically. Finally, Culturando performs a transformative role in all its dimensions. It is entirely outside any structure, and although this might make the work difficult on a daily basis, every member of the organisation is committed to transforming reality. It is an organisation with an immediate task, tackling the consequences of neoliberalisation, but it is also engaged with challenging social inequality and persuading its beneficiaries that another reality is possible. In this vein, the two Argentinian organisations highlight the role of a long-term aim linked with the identity of the organisation that works as a shield against external forces.

In sum, this research challenges the monolithic idea of the SSE, and in contrast presents a spectrum between the palliative and transformative poles in which organisations are located. Those organisations that are inclined towards the alleviation of the economic consequences have lost the SSE radical values over time, and in contrast they chime with market companies. The reasons for this move can be found in the links that these organisations establish with the market or with the government. Therefore, it becomes crucial to understand:

RQ2: Have Argentinian and British governments supported the SSE in order to empower their organisations or to limit their own responsibility for welfare?

In order to respond to this second research question, I scrutinised how the public policies that focused on the SSE in Argentina and the UK impacted on the four organisations studied. The analysis was done with regard to the effect that these policies had on the organisations and whether they could empower themselves to maintain a role as an alternative to prevailing economic hegemonies or whether they became trapped by policies’ rationale. In particular, the focus of the analysis was Big Society in the UK and Kirchner’s policies in Argentina. Relying on the theoretical discussion of the policies
developed in Chapter 4, both considered the SSE as palliative and attempted to co-opt autonomous SSE organisations to serve the political ends of the hegemonic economic discourse. Hence, this research question also revolved around the transformative or ameliorating role of the SSE, addressing whether public policies sought to empower SSE organisations or to limit governments' own responsibility for welfare.

First, I shed light on the fact that none of the policies understood SSE as a whole: BigSoc in the UK was focused on VOs whereas Kircher’s policies were focused on co-operatives. The focus in each country was on the type of organisation that could provide a solution to a problem identified by the government. In the Argentinian case, it was with regard to unemployment, and co-ops were targeted as organisations that helped to tackle this social issue. In the British case, VOs were pointed out as government partners in the provision of public services, supported by an engaged community in fixing a broken Britain. In this vein, co-operatives were the main focus of Kirchner’s policies in Argentina, whereas BigSoc was particularly focused on VOs. I confronted the comprehensive idea of a sector with relation to the public policies, exposing the range of representations, social relations and identities according to the type of organisation.

My empirical work also validated that both governments have used the SSE in the interests of neoliberalism, and relied on the SSE as a palliative for its consequences. Thus, my analysis focused on how this given situation impacted on the SSE. Once the scene was set by the government, organisations that were not included could remain autonomous, whereas those that were included in the policy spectrum were to different extents co-opted and accepted the benefit of receiving government funding at the expense of their own principles. The acceptance of British VOs to participate in BigSoc brought a transformation of its social practice, as they adopted a business mentality, which has severely compromised the values of the sector. In the Argentinian case, the participation in Kirchner’s policies in response to the populist feature of the SSE made them vulnerable to political change. While this did not compromise the values of the
sector severely, it did make them less radical. Despite these differences, both governments put forward an identification of the SSE as a means to tackle market ‘imbalances’. Whereas the lack of a political dimension in CommuniRing obscures this, in GrafiCoop this is acknowledged and challenged, but only in a rhetorical sense.

BigSoc was a policy that provided an invited space for participation to those targeted organisations. It set the boundaries of social action, and therefore, it transformed the social relations and practices of the sector, which I demonstrated occurred in CommuniRing with regard to monitoring, a business mind-set, a broadening of its beneficiary population, and a marketisation of the social relations with its beneficiaries, which I summarised under the change in its philosophy. British co-operatives were not entirely invited, so the movement decided to remain aside. In Argentina, Kirchner’s policies blended both a popular space for participation, which once it was recognised by the government shifted into an invited space for the conformation of new co-operatives. It was in this second stage that some co-ops raised their concerns about the utilisation of the movement by the government, and some critical voices were raised. Finally, although Culturando remained apart from any policy, it has conflictive social relations with the local government. The origin of public participation can provide an explanation for the different degree of co-optation: whereas in Britain it was top-down and VOs were severely co-opted, in Argentina it was bottom-up and co-operatives could remain partly autonomous.

I concluded that the policies that targeted the SSE were guided by a neoliberal understanding of the sector, and that this directed its potentiality and aims. In this vein, the two policies neglected the subjectivity of each type of organisation, and the space for participation was delimited by the government’s representation of the sector. The different degree of involvement in public policy can be explained by the opposing direction in public participation. Whereas Argentinian government had to recognise co-ops as a social actor given their bottom-up rebellious actions, the British government put
forward the inclusion of VOs from the top downwards. Participation in public policies left both Argentinian co-ops and British VOs co-opted by governments and dependant on them. Then, through austerity in the UK they were forced to join the market, and this might be the same case of Argentinian co-ops with the current government, as support has decreased in the last year. In addition, those organisations that did not become involved in public policy remained independent and could prioritise their own interest and be critical of policies. Hence, the articulation of the SSE with the policies provoked a dependent representation for SSE organisations, whereas in contrast, those that decided not to participate remained autonomous from the government.

Finally, I pointed out that despite the different history of Argentina and Britain, some parallels can be traced between the co-optation processes in the two countries. Moreover, the fact that they were carried out by governments from opposite political poles, highlights the global nature of market discourse and its attempt to undermine autonomous forms that do not serve its own political and economic interests. Hence, as both policies were underpinned by the market ideology, this leads me to the third research question:

RQ3- To what extent are the transformations experienced by the SSE the result of a marketisation process arising from the neoliberal hegemony or to what extent is it still a place of resistance?

Throughout my research, I argued that neoliberalisation is the hegemonic discourse, and it has transformed those spaces that should act as resistant spaces, such as the SSE, according to its own values outlined in Section 3.2. Hence, my third research question scrutinised the impact of neoliberal ideology on the four organisations, with regard to the transformations they have experienced as a consequence of the ascendancy of neoliberalisation and marketisation process, and exposed to what extent they remain a point of resistance and an alternative economic form. Have they stayed tide to their
origins been absorbed by the market discourse. In this analysis, the concept of *double movement* developed by Polanyi (Section 3.3) was instrumental.

The crisis of 2001 revealed the failure of market policies in Argentina. Within this situation of crisis, the SSE provided responses to the severe socio-economic limitations the population was going through (Section 2.4 and 4.6). They were collective and did not engage with the market; they emerged as resistant to the hegemony. Although the crisis took place more than 15 years ago, SSE organisations are still in formation, and retained their radical germ. Moreover, these organisations expanded the *frame of reference* of economic action in linking it with political underpinnings and accustoming the wider society to alternative economic forms. Back at that time, they responded to the second stage of Polanyi's *double movement*: it engendered an organic reaction to regulation, and allowed the society to safeguard its defence mechanisms. This process is still ongoing and no final conclusions can be drawn. In particular, the diminution of public funding for the SSE as a consequence of the change of government raises concerns about its sustainability as a space of resistance and its possible shift towards the palliative pole.

The UK has been exposed to a constant mild neoliberalisation, which has been eroding SSE principles steadily over the last four decades. It has benefited from more effective palliative mechanisms to tackle neoliberal imbalances, given the strong welfare state and entrenched political institutions. This consequently undermined the force of resistance, prevented political contestation and spread individualisation. Hence, the SSE was only able to provide palliative solutions that neither the state nor the market were able to, and the partnership with the government in the provision of welfare services started. Using the Polanyian concept of *double movement*, the process that occurred in the UK chimes with the demolition of collective mechanisms of resistance. However, austerity policies were enforced and the partnership between the government and the SSE left the latter with inadequate funding, which took away the last hope from vulnerable people. This
exposed that the welfare system is no longer working, and citizens realised that the political system does not work for their interests. This might provide an explanation for the Brexit vote and the last general election results. The unstable time the country is currently experiencing could be a spark to relight the SSE flame, allowing it to become a point of resistance to market ideology.

Throughout these chapters, I have argued that the SSE is a contested field and that the tension between the transformative and palliative poles is present at all the levels analysed. Contradictions within each organisation show how neoliberal and SSE discourses articulate in reality, resulting in a hegemonic struggle within each organisation. Taking into account the complexity and the nature of the SSE and the hegemonic struggle with the neoliberalism, I argue that the SSE should be conceptualised as both palliative and transformative. Along this spectrum, organisations that have absorbed the market discourse to a greater extent are located in a position that mitigates the consequences of neoliberalisation but does not challenge its hegemony. In contrast, those that are engaged in powerful action and that repel its colonisation are towards the resistant pole. Despite this overall distinction, organisations have absorbed the market discourse to different extents and perform palliative and transformative actions because they are transversed by it. For me, the SSE is a point of resistance to the hegemonic economy and theorisations about it as either a means to ameliorate neoliberal consequences (Salamon and Anheier, 1997; Kerlin, 2006) or a radical form of economy (Coraggio, 2010; Laville, 2011) are homogenising visions and create rigid theoretical structures that do not conform with reality. This research illustrates that even those theorisations that view the SSE as a panacea can be harmful for the sector, as it cannot meet these expectations and would never be like this in reality. Hence, putting forward a more realistic conceptualisation allows the SSE to counteract hegemonic discourse from a safe ground and articulate resistance in a more effective manner.
9.3 New insights into the study of the SSE, co-op movement and VOs

Considering the overarching understanding presented above, I can now identify the contributions made by this thesis. First, my thesis portrayed a comprehensive representation of the field of the SSE without concealing its contested nature, and suggested it is a counter-hegemonic discourse transversed by neoliberalisation. Considering the scenario of international market globalisation and increasing deregulation of the economy, my research took a critical position on this view, highlighting the isomorphic tendencies to which the SSE is exposed, and making them part of the definition rather than obscuring them.

In this regard, my first contribution to knowledge is theoretical. I have depicted the dichotomy inherent to the SSE, criticising a large part of the literature that considers it as only transformative or palliative, and I have explored the fact that it is not simply a dichotomy, but a spectrum. Despite the SSE being a point of resistance, market discourse is indeed truly hegemonic, and although people attempt to escape from it, to some extent they are all encaged within it. The three findings chapters provide significant evidence to support this claim in terms of the range of actions of SSE organisations and absorption of market discourse, and the tension within each organisation between these two poles. I claimed that this discourse has become the accepted economic narrative in those organisations where political empowerment was eroded. This started to penetrate their values and practices, to the point that it became the dominant rule. In chapters 2 and 3 I stated that neoliberalisation is the hegemonic discourse, which has obscured all other economic forms that challenge its supremacy. Consequently, in Chapter 3 I exposed the range of economic action and a counter-hegemonic theorisation of the economy. Thus, one major contribution of my research is to question the role of the SSE in social transformation or reproduction.

As well as understanding the SSE as the result of a creative tension between the hegemonic and counter-hegemonic discourse, a second contribution to knowledge
offered by my thesis is to present a comparison among the different theories of the SSE and to present a synthesis of global trends in the development of SSE, representing experiences on both sides of the Atlantic and in developed and majority-world societies. This work provides a synthesis of two understandings in two different social and economic contexts on a macro level. Furthermore, although many attempts had been made to compare SSE across European countries (Nyssen, 2006; Evers and Laville, 2004) and between Europe and the US, little academic work has created a bridge between the sector in the Northern and Southern hemispheres (Marques, 2014; North and Scott Cato, 2017; Scott Cato and Raffaelli, 2017) and this research makes a continuation here. In accomplishing this comparison, my research was committed to a decolonisation of the SSE field, and the comparison was done at a macro level exposing how two different countries have been exposed to the same hegemonic forces and how resistance is limited in each place. As a consequence of this anti-totalising stance I could argue that the SSE in Argentina is constrained by its links with the state (Chapter 7), and in the UK by market forces (Chapter 8). Hence, through challenging the Eurocentric remnant in the theorisation of economics, another major contribution of this research is to fill this gap in knowledge and analyse the dynamics of the SSE in the context of different economic positions in the global economy, from a decolonising point of view.

Methodologically, the utilisation of CDA in a critical ethnographic post-structural study was also novel. Despite CDA being engaged with social change and being a problem-oriented theory, this is the first time that it has been used in the analysis of the SSE. I used Fairclough's ideas and took his broad schema, which allowed me not to be confined to the linguistic but rather to address the meaning of people's discourse. Relying on these pieces of information, I analysed how the discourse reflects the meanings of representations, social relations and identities, not as a simple reflection of the hegemonic discourse but as a resignified and meaningful image. Through this use of Fairclough's model, I could scrutinise that neoliberal discourse might be absorbed on
one level, but rejected on another, depicting a complex image of SSE organisations. I pulled together these three levels throughout Chapters 6, 7 and 8. Moreover, this is the first study that uses CDA in the analysis of the SSE in Argentina, written in English. Hence, another contribution of my research is in terms of linking discourse theory with counter-hegemonic economic forms and powerful global forces.

My fourth contribution to knowledge is with regard to the idea of a comprehensive sector, labelled as the SSE. Neoliberalisation has learnt to speak new languages, which is why it is so difficult for it to be recognised. It masks itself with the discourse of its opponents; it is chameleon-like. Although it has been presented in this way in the literature and governments have also referred to the ‘third sector’ as a unity, I have challenged this idea throughout my research, exposing the kaleidoscopic nature of the SSE. This homogenising idea has been constructed and externally imposed on the SSE for other sectors’ convenience, which obscures the differences among organisations and the values which they defend. Diversity in economic action goes beyond Eurocentric frameworks, and cannot be reflected in a single theorisation. I have shown in Chapter 6 the links that the case-study organisations establish with other organisations, and I have exposed that what should be a broad resistance point is in the UK a field where these organisations have been picked off one by one by market rationale. Although I did not come to the same view in Argentina, this might be a consequence of the recent crisis the country experienced, and the Argentinian case might be the same in some years’ time. In addition, giving voice to the heterogeneous nature of the SSE can be central for those organisations that still resist, and can help them to step back from totalising discourses rather than being resilient to them.

Finally, my research contributes to the enlargement of the heterodox economic field, exposing the inner limitations of classical economics in understanding the broad range of economic activity. Rather than thinking for alternatives in the neoclassical framework, my research proposes alternative economic thinking. Hence, I suggest that economy is
embedded in society and politics and the complexity of economic actions cannot be addressed by the positivist framework. Along these lines, I argued that my research contributes to the study of critical economics and to the investigation of counter-hegemonic actions from sociological, political and historical standpoints on the basis of a discourse analysis. It is one more star in the constellation of studies that enhance and increase the visibility of the diversity of social practices. This research responded to the need for more research by engaged scholar activists, and answers the call for challenging the marginalisation of alternative economic activities and discouraging non-capitalist initiatives (Gibson-Graham, 2008). Hence, in order to think emancipation from neoliberalism, a comprehensive study of emergent economic actions within a new de-colonised framework is required. I have made a contribution was to a politics of economic innovation (Healy, 2008) through the study of the SSE in order to make alternative economic activities more credible, viable and present in daily experiences. Thus, in exploring the discourse of marketisation and how it has discouraged alternative economic forms, my research fills the gaps identified. Finally, this discussion contributes to enlarging the current understanding of the economy, in the context of the ongoing financial crisis.

9.4 Limitations and opportunities of this research

Reflecting upon my decisions, I consider that my choice of studying a small number of cases in depth could raise questions about the representativeness of my research. I acknowledge that as a consequence of this I can only draw very limited conclusions, as I only looked at four organisations in a very specific time. Nonetheless, drawing on the post-structuralist standpoint of my research, its aim is not to provide generalizable results. I made this decision clear in Chapter 5 and the results of this thesis are also attached to the historical time in which this research was conducted, and myself as the researcher who understood it. This is only one possible understanding of the field of the
SSE and my personal contribution to the field of study. Other researchers can provide other pieces of the jigsaw, which together can construct a holistic understanding of the SSE. Moreover, I stated my intention of providing a comparison at a broader level, because I focused on a small number of case-studies, but from where it is possible to build up a broader comparison. In sum, each site should be analysed taking its particularities into account, although insights from other research or cases can be used to inform conclusions.

Furthermore, my personal experience in the field of the SSE and even my interest in it is part of this analysis and cannot be discarded from the argumentation I have made in this work. As I have already suggested, this research arose from my interest in the SSE during a time of turmoil, and my sense that mainstream literature did not reflect it in all its complexity. Although I had to simplify my exposition to make it comprehensible for an unfamiliar reader, I endeavoured to provide the most comprehensive analysis possible. Moreover, as a consequence of the counter-hegemonic stance of my research, this was not intended to discourage the political implications of the study of this field, neither have I obscured mine. Other theoretical lenses could provide other understandings of the SSE, however, I considered the role in political contestation was important to be highlighted.

The validity of my research is grounded on the significant amount of data collected via a range of methods in order to complement each other and fill the gaps I have identified in the literature through practical experience. Moreover, through the interviews I conducted, my participation in conferences where I presented my work, and my discussions with leading researchers in the field, I confirmed the discursive elements of the SSE presented in this work. Although I pointed out that CDA was an insightful approach for the study of a field that is engaged with transforming social reality, it also constrained my analysis on some occasions. In this vein, I constrained reality to fit within a theoretical model on some occasions, which might have distanced my research from reality.
In order to develop this research and to add to the robustness of the findings, my plan for future work includes the research of more SSE case-studies built on the foundation of this research, exploring how recent political events have affected the SSE. Some events in the last years have expressed the general lack of faith in politics and the undermining of society, in particular, the election of Macri in Argentina, and the Brexit vote and the results of the general election in the UK. Argentinian government is on its way towards austerity and funding to co-operatives has been reduced in the last two years. Therefore, a research on the effect that austerity can provoke on the SSE and its dependence on public funding becomes relevant. In addition, the political crisis in the UK might confirm the failure of the hegemonic economic system alluded to above. In the light of these events, a study that follows up to trace the effects of Brexit or the input of Corbyn in the sector is also a thread that I would like to explore. Polling after Brexit shows that only half the people asked thought capitalism was a force for good (Lord Ashcroft Polls, 2016); maybe, the current unstable time give place for potential for radical change. Furthermore, although in general the SSE has been studied from those cases that have ‘succeeded’, an analysis of failed cases would be important, in order to question whether they did not triumph because they remained deeply attached to the SSE values or as a consequence of their difficulties in adapting to an environment whose values they did not share. All these plans open up the space for thinking beyond this thesis.

This thesis sheds light on the forms that responses to neoliberalisation took in two different societies. I looked at two very different sites with very different histories, but still I could trace commonalities. This suggests not only the power of the market hegemony, but also that is dominant on a global basis. This becomes relevant in the current scenario of market ideology being in its weakest position in the last 40 years. My thesis opens up space for thinking beyond neoliberalisation in the wake of the last financial crisis, which has not been resolved yet. Neoliberalisation is being challenged by democratic forces, because ordinary people who have seen their rights undermined do
not believe in it any more. Conversely, democratic politicians are still relying on the market hegemony and therefore not resolving the crisis in a way that satisfies ordinary people. The latter, in turn, vote for ‘outsiders’ like Donald Trump or Mauricio Macri, even though to some extent, they accept that this will make their lives worse. In contrast, the election of popular leaders such as Jeremy Corbyn or Emmanuel Macron suggests people no longer believe in hegemonic political and economic discourses. Hence, the current crisis can be used in a positive way, and help us to question at what point can we see evidence that the market hegemony is weakened and people feel the need for these alternative economic forms? If so, what might they look like?

In order to explore a model to replace neoliberalism, it is necessary to question to what extent the SSE can be part of that, or whether it has been mutated by market ideology to the extent of forgetting its traditional values. Both scholars and activists have suggested that the SSE is what the world needs, as neoliberalism has failed on its own terms. In this vein, the study of counter-hegemonic economic forms becomes important, but at the same time makes clear how these forms have been diminished by the market ideology, raising questions about whether they can fulfil that role. However, it needs to be highlighted that single instances of resistance cannot deal with the complexity of the globalised world. As neoliberalisation is failing in multiple aspects, resistance should be transversal and propose comprehensive solutions to tackle economic, ecological and social issues. Hence, the SSE enables the articulation of an alternative reality for future practices and relationships in the present, and appears as an instrument for constructing the future. In order to achieve this new model and to avoid the mistakes of the past, a way of mobilising people who believe in working together for the common good would be instrumental.
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