



Technological changes and the importance of strengthening the entrepreneurial ecosystem for the social and solidarity economy (SSE)

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BUCHAREST

Structure of presentation



1. General contextualization: New Era of Automation with increase of inequality and income concentration
2. SSE and new Technologies as a tool to face this scenario?
 - 2.1 Some exemples
3. Relevance of building and strengthening the solidary entrepreneurial ecosystem
4. Final Considerations

1. General contextualization - 21st Century Digital revolution

- ▶ Internet of things;
- ▶ Internet of services;
- ▶ Artificial intelligence,
- ▶ Big data,
- ▶ Industry 4.0,
- ▶ Cloud computing,
- ▶ **Practical examples:** Narrative science (software that can write news); Financial technologies such as Fintech; Watson-IBM; MOOC (open online courses in mass); autonomous vehicles etc.

1. General contextualization - 21st Century Digital revolution

AMAZING MATERIAL ADVANCEMENT

BUT...

1. General contextualization - Increased socioeconomic problems

- ▶ **World Bank (2019)**: one in ten people, or 767 million worldwide, survive on less than \$ 1.90 per day;
- ▶ **FAO (2018)**: By 2017, the number of malnourished people in the world has increased (one in nine persons); Child malnutrition (children under 5) is still a serious problem (22% of the children in the world); Around the world, about three out of every ten persons - out of a total of 2.1 billion - do not have access to safe drinking water at home, and six out of ten - or 4.5 billion - lack safe sanitation;
- ▶ **Mahendra & Seto (2019)**: 330 million households worldwide, equivalent to 1.2 billion people, do not have access to safe and quality housing, in a context where the problem will become even more critical, since the deficit can increase 30% by 2025;

1. General contextualization - Increased socioeconomic problems

- ▶ **World Inequality Report (2018)**: 1% of the richest in the world have captured 82% of all the wealth created in 2017; 2 thousand billionaires in the world which wealth increased in 2017 by \$ 762 billion = would solve the world's extreme poverty seven times;
- ▶ **ILO (2018)**: in the world - 200 million unemployed; half the world's workforce is informal; only 27% of the world's population lives with social protection; 2.5 million people lose their lives at work annually; 170 million children are working; 1.4 billion workers were in vulnerable jobs and another 35 million are expected to join them by 2019;
- ▶ **Novella et.all (2018)**: the lack of opportunities for young people (under 25 years of age)- unemployment rate three times higher than that of adults: "NEET generation" (NiNi);

Is it possible to use the new technological Era **in line** with socio-economic needs?



2. SSE and new technologies as a tool to face this scenario?

- ▶ It is believed that the role of SSE as an effective instrument contributing to this debate gains momentum and relevance, since SSE presents itself as an alternative paradigm of production and consumption, capable of generating work and income - besides impacting on social, political, territorial, cultural and environmental aspects (Morais & Ferreira, 2018);
- ▶ SSE includes a diversity of economic and social practices - production of goods, services, solidarity finances, exchanges, fair trade and solidary consumption;
- ▶ SSE: multifaceted phenomenon, which progressively gains ground among scholars and in the national and international public policy agendas;
- ▶ SSE: an innovative alternative for generation of work and income and a response to solve the problem of social and labor market inclusion; More humane and inclusive development model (Morais, Dash & Bacic, 2016);

2. SSE and new technologies as a tool to face this scenario?

- ▶ Connection with SDG;
- ▶ SSE contributes to the creation of alternatives within territorial and community development;
- ▶ SSE play a key role in the creation and preservation of jobs;
- ▶ SSE has a well-documented countercyclical nature in its ability to maintain its activities and its cooperative workers in times of economic crisis;
- ▶ SSE includes a strong presence of women, also in leading positions, which contributes to the increase of family income, as well as in terms of emancipation and empowerment;
- ▶ SSE organizations strongly support the socio-labor insertion of disadvantaged groups, with extreme difficulties in obtaining work and income. Ex: physical and mentally handicapped, immigrants, people with low level of qualification, ex-prisoners etc

2. SSE and new technologies as a tool to face this scenario?

It is important to remember that digital inclusion, in addition to technological inclusion, is also cultural, political and social inclusion. It is, therefore, a socio-economic inclusion, because it creates opportunities and generates income, wealth and power. There is a necessity for a new focus on the development of technology products and services aimed at solving and coping with problems of the "inferior circuit", based on a "new institutional culture" (Morais & Bacic, 2018).

Some exemples – Morais & Bacic (2018):

- ▶ Community banks and social currencies;
- ▶ Online marketing platforms;
- ▶ Initiatives of "citizen cyberscience";
- ▶ Projects and actions of "scientific crowdsourcing": Media Labs, Hack Labs, Fab Labs, etc;
- ▶ Social technologies;
- ▶ Public and social projects: health, security, urban and rural lighting, living conditions, transportation, education etc;

* Such experiences allow the generation of income and socio-labor insertion;

* Experiences that dialogue with economic, social, environmental, political and cultural aspects, in addition to connecting with the various SDG;



But....

In spite of the potentialities and advances of SSE and its impacts on their territories, a fact regarding the maintenance of its operation can be observed, to a greater or lesser degree: the existence of certain weaknesses inherent in its modus operandi, with implications to the sustainability and efficiency of SSE enterprises and organizations.

These weaknesses have a structural nature and include economic, financial, legal, accounting, access to credit, market and new technologies, labor qualification etc

IMPORTANCE of building and / or strengthening the entrepreneurial ecosystem for SSE, especially in times of new technologies

(Morais & Bacic, 2017, 2018)

3. Relevance of building and strengthening the solidary entrepreneurial ecosystem

- ▶ The concept of "ecosystem" is a systemic concept;
- ▶ Relevance of achieving the "synergistic potential" to articulate and integrate the "triple helix" in favor of the entrepreneurial solidarity ecosystem: combines economics with a strong sociological perspective of innovation systems;
- ▶ Approach is focused on a "bottom-up model" (valorization of people and related groups);
- ▶ Idea of "co-evolution" to emerge when organizations can interact with their ecosystems and ecosystems interact with organizations;
- ▶ Acting both at the micro level and at the macro level;
- ▶ Degree of interconnectivity: interdependence of the the components of the system;

For SSE....

- ▶ Ecosystems are "network of actors" (entrepreneurs, researchers, funding institutions, politicians - executives and legislators, etc.);
- ▶ The construction of the entrepreneurial ecosystem is a complex task and marked by numerous challenges;
- ▶ Territories: a) political systems (alliances and coalitions); (b) production systems (networks of actors involved in the production of goods and services); (c) territorial innovation systems (stakeholder groups involved in the generation and diffusion of innovation);

4. Final Considerations

- ▶ Support PP to allow actions to be permanent and to continue actions;
- ▶ Appropriate legal framework for the SSE and new technologies;
- ▶ Connection with SDGs;
- ▶ Quantitative and qualitative instruments for evaluation and monitoring experiences and territories;

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