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Social innovation in question: The theoretical and practical implications of a contested concept

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Abstract

The concept of social innovation has become pervasive among practitioners and academics, though its definition remains elusive. This paper seeks to address this by suggesting a distinction between structural social innovation, which refers to wide social change in scale and scope, targeted versions of social innovation, which can be either radical or complementary to current socio-economic institutions, and instrumental social innovation, when it is used to rebrand previous agendas in a way that is more appealing to stakeholders. These four types of social innovation are discussed referring to practical examples in the literature. We then explore ways in which the concept could be further developed by engaging with the concepts of socio-technical transitions and the foundational economy.

Keywords

Foundational economy, social innovation, socio-technical transitions

Introduction

The concept of social innovation (SI) has become pervasive in academia (Moulaert et al., 2013a), in policymaking (BEPA, 2014), among third sector organisations (URBACT, 2015) and in business (Frost and Sullivan, 2014). It is used both in its more radical incarnations, as a way to understand and guide wide ranging social transformation (Henderson, 1993), and in its more pragmatic versions, to describe what are seen as 'socially minded' innovations (Garcia and Haddock, 2016). It remains however an elusive concept, with multiple

contributions highlighting the many ways in which it can and has been used, while rarely attempting to define it clearly, or to articulate its conceptual and practical implications (Grimm et al., 2013).

This paper will seek to address these gaps in three steps. First, drawing on the work of Godin (2012) and our own knowledge of the field (Richardson et al., 2014), we will help to clarify the distinction between SI and the 'mainstream' conceptualisation of innovation, which focuses on technological developments. Second, drawing on a wide ranging and comprehensive literature review, this paper will argue that we can distinguish between structural versions of SI, which refer to wide social change in scale and scope; complementary versions, where SI is understood as something complementary to existing economic or policy dynamics; and instrumental SI, where the term is used to rebrand existing agendas in a way that is more appealing to stakeholders. Third we will argue for the need to have a clearer distinction between SI as a research concept that is used to study specific phenomena, as a normative concept that serves as a guide for action, and as a concept in practice, where it is used to describe a wide range of activities from a variety of public, private and third sector actors. Fourth, we will explore the complementarities between SI and emerging concepts about social change, referring in particular to the literatures on socio- technical transitions and on the foundational economy (Bowman et al., 2014; Coenen et al., 2012).

As we navigate through these dimensions and definitions, we will ask if SI adds value to other concepts and frameworks that have previously been used to describe activities that are currently being studied under its guise. Underlying our discussion is a sympathetic critique of the argument made by Moulaert et al. (2013a), who suggested that the fuzziness inherent to this concept is useful, because it helps to blur the boundaries between research and action. We will suggest that both the research and action sides of SI would benefit from greater clarification. On the research side, SI is often used to describe such a wide range of activities that it loses explanatory potential: by trying to encapsulate everything, it ends up clarifying very little. On the action side, the lack of clear definitions allows for the concept to be appropriated for a wide variety of agendas, not all of which conform to the values generally espoused by its main supporters.

The literature review for this paper was based on a two-pronged approach. The first step was based on reading key academic and policy texts, such as the International Handbook on Social Innovation (Moulaert et al., 2013b) and the BEPA report (2014). This then led to other core articles, books or reports through a process of snowballing, where articles referred to as essential or crucial by the first authors were consulted. The second approach was a comprehensive literature review on the Web of Knowledge, where we searched for all articles that used the expression 'social innovation'. This search returned nearly 100 articles. After an analysis of the content of each article we chose 30 that were explicitly about SI, in contrast to the majority where this concept was used one or two times throughout the text without further explanation of why it was used and what it meant. The majority of the articles identified through this second approach had already been consulted as a result of the snowballing method.

The origins of social innovation

As Figure 1 demonstrates, the concept of SI has been in use since at least the second half of the 19th-century, under different guises and definitions. Early uses include, on the one hand, reference to significant long-term structural changes in institutions, habits and routines that were brought about by democratic revolutions and the demise of feudal society, but also, on

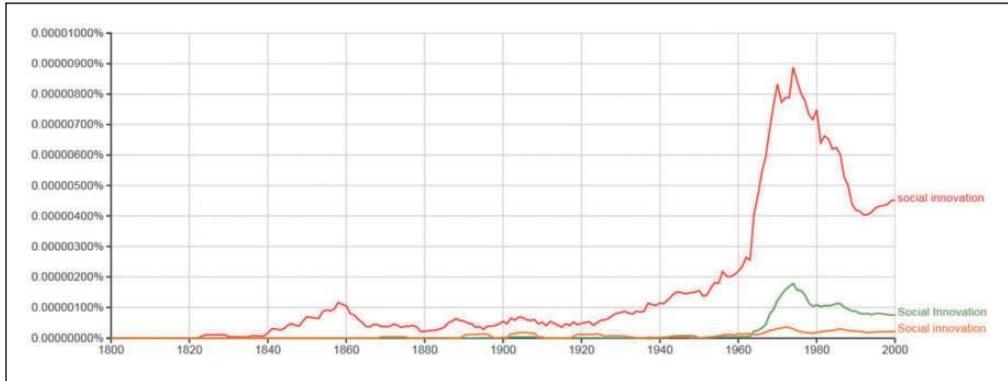


Figure 1. Use of the bigram 'social innovation'* since 1800.

*This search engine is case sensitive. Results presented here are for social innovation, Social innovation and Social Innovation.

Source: Ngram Viewer (2017) – The Google Ngram Viewer uses its digital database to measure the amount of times that 'social innovation' appears in English books published in the United States, relative to other bigrams. It is therefore not an indication of the absolute use of this concept, but of relative use. More information here: books.google.com/ngrams/info.



Figure 2. Use of the term 'innovation' since 1500.

Source: Ngram Viewer (2017).

the other hand, to more specific narrower social-cultural changes. An example of the latter use Mahtab's reference to the introduction of '(...) the social innovation of retaining moustaches alone and shaving off the beard – an innovation which was a red rag to the bull in the then conservative Brahmin Sasans in the Puri district and elsewhere in Orissa.' (Mahtab, 1957, cited in Bailey, 1970).

In fact, the concept of innovation was in existence significantly before that of SI (see Figure 2). Godin (2012), using a database compiled by the author of texts dated from the 16th-century onwards, found that innovation was initially used as a pejorative word, mostly in regard to changes in religious thought. As democratic revolutions started to take hold, the concept evolved to describe also significant political and social change, especially those

changes that led to more democracy and to demands for an improvement on the welfare of citizens. Only in the 19th-century did SI come into full use, usually as a synonym for socialism, with the agitators and revolutionaries branded as 'social innovators' or later as 'social reformers'. As the concept diffused, it later took on new and positive meanings, which we will explore in the following section in greater detail.

The concept of technological innovation, which is currently dominant, only emerged in the 1940s and its use has increased exponentially since then. The peak in the use of SI in the 1970s (Figure 1) is seen as a counter-reaction to the positivist belief in technology which was said to predominate in the two previous decades. As economic growth stalled and frustration with persistent social and racial inequalities mounted, Godin (2012) argued that SI witnessed a comeback among authors who wanted to emphasise the importance of social and institutional change, in order to accommodate economic and technological progress (Fairweather, 1972; Select Committee on Small Business, 1978).

Overall, the concept of SI has shown itself to be both extremely resilient (in the sense that it has continued to be used in a variety of contexts) and extremely difficult to define. Both elements are probably interrelated, since the lack of a clear definition allows different actors to project onto it different meanings, thereby guaranteeing its continued appeal. This fuzziness is evident when SI is used to refer to activities that have been previously studied using different concepts (such as community development or governance). In this context, SI is often used in passing, with one or maybe two references in the text and without any detailed definition (Godin, 2012). In practice, this has meant that the concept has been appropriated by a variety of actors pursuing a number of agendas. It could be argued, for example, that the political right have used the term SI to legitimise investment in the third and private sectors in order to retrench the welfare state, arguing that grassroots initiatives are a superior way to deliver welfare (e.g. Goldsmith et al., 2010).

This paper will attempt to take this debate forward by operationalising the concept theoretically, empirically and as a tool used in practice. Rather than identifying its multiple uses, an exercise which has been expertly done by Moulaert et al. (2013a) and by Godin (2012) drawing on a wide range of sources, this paper will propose a set of definitions that can help clarify the meaning of SI. For each different definition, the paper will question whether using the concept of SI is helpful, or whether there are other concepts referring to the same processes that are more precise and better suited to support intellectual enquiry.

Distinction between SI and innovation

Because of the current dominance of the concept of technological innovation (usually mentioned in the literature only as innovation), it is necessary to start by distinguishing that term from SI in order to clarify which phenomena are of interest to this paper. Other authors have tried to do this by arguing that SI is about innovation with social aims or about improving social welfare (Borzaga and Bodini, 2014; Cajaiba-Santana, 2014; Graddy-Reed and Feldman, 2015). This would be distinct from technological innovation, which has mostly private (i.e. profit) aims. But this emphasis on the social is, in our view, not sufficient. A firm working in the pursuit of profits might claim that since its innovations have had important social impacts, they could be classified as SI. An argument such as this could be made for example for social media businesses, or for dating websites, which help to deal with loneliness and isolation.

According to the OECD's Oslo Manual 'an innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external

relations.’ (OECD, 2005: 46). There are three key elements in this definition: one is the notion of implementation. A new product, technology, idea or invention is not an innovation until it is implemented and generates value for a business. The second is that innovation includes a variety of activities beyond product development. The third is that it relates to activities that happen within firms and therefore it is specifically about private enterprise and economic value-added. The use of the bigram ‘technological innovation’, which we use here for convenience, is therefore slightly misleading, since the innovation activities described in the OSLO manual include several types of knowledge and activities, including in areas such as finance, organisational management, or commercial strategies.

Our argument, drawing on the existing literature, is that SI is also about the application of new ideas, irrespective of them being new products, processes or ways of communicating. It is however distinct from technological innovation in three ways: first, it actively promotes inclusive relationships among individuals, especially those that are (or have been) neglected by previous economic, political, cultural or social processes. In this sense, SI values the process of implementing a new idea as much as it does the outcomes of that implementation (Moulaert et al., 2013a). Second, SI is explicitly about addressing need, whether it is in areas such as education, health or more broadly in dealing with social exclusion. This means that while it is possible for profit-seeking organisations to implement SI (for example social enterprises), profit will not be their primary goal, since addressing human need will necessarily involve reaching out to people with limited economic resources. In this sense, there is some crossover with the concept of user-led innovation (Franke et al., 2006), though with the caveat that the market might not be an appropriate mechanism to disseminate SI outputs, in cases where the target population does not have the necessary resources to engage with it. Thirdly, though this is not necessary, SI is often aimed at specific domains such as education, health or migration. We say that it is not necessary because there are human needs that fall outside these domains.

These three elements (inclusiveness, need and targeted domains) are important to distinguish SI from what we called instrumental SI (see Table 1). For example, according to our definition, the introduction of participatory governance in a new context is not necessarily SI unless it effectively delivers a more inclusive political process, by integrating previously neglected groups; and unless it steers policy towards addressing human needs that were previously unmet. In cases where its introduction merely increases the dominance of well-off, middle class individuals, and steers policy towards the satisfaction of interest groups that were already fairly well represented (as happened in most case studies discussed in LIPSE, 2014), there is an argument to be made that no real SI happened. This does not deny that governance can improve through this method and that greater accountability can be achieved, even with limited public participation. But, at least according to our interpretation, this would merely be a case of better governance, which is a noble yet insufficient goal to classify as a socially innovative practice.

Finally, this definition also helps to clarify that the activities of the third sector are not necessarily SI. Many of them would in fact fall under our definition for instrumental SI, even if they are specifically about addressing human need. In this regard, we distinguish our approach from that of many other authors, who classify SI as virtually any initiative that has social aims (Graddy-Reed and Feldman, 2015; NESTA, 2008). An important parallel can be established here with technological innovation. In the case of the latter, the objective of innovation is to add value to business organisations. However, some activities may add value without counting as innovation, such as when a firm increases its size to respond to increasing demand. A larger firm may generate economies of scale and higher profits, even though no new products, processes, or services have been introduced. In the same way,

Table 1. Definitions of social innovation according to the scale and scope of change that they encapsulate.

Scale and scope of change	Examples	Relevant articles
Structural SI	Innovation in social institutions or relationships as a result of wide political/social/economic change	(Godin, 2012; Grimm et al., 2013; Henderson, 1993; Jessop et al., 2013)
Targeted radical SI	Activities that radically reshape how essential goods and services are delivered to improve welfare and that challenge power relations	(Gerometta et al., 2005; Membretti, 2007; Moulaert and Nussbaumer, 2005; Moulaert et al., 2005; Scott-Cato and Hillier, 2010; Seyfang and Haxeltine, 2012; Vaiou and Kalandides, 2016; van der Schoor et al., 2016)
Targeted complementary SI	New processes and relationships that can generate inclusive solutions to societal challenges	(De Muro et al., 2007; Garcia and Haddock, 2016; Han et al., 2014; Novy and Leubolt, 2005; Parente, 2016; Prasad, 2016; Semprebon and Haddock, 2016)
Instrumental SI	Rebranding of political agendas, community development, corporate social responsibility	(Foster et al., 2016; Gershuny, 1982; Goldsmith et al., 2010; Graddy-Reed and Feldman, 2015; Nordensvard et al., 2015)

Source: Authors' research based on literature review.

an initiative can be effective in addressing human need while not being socially innovative, if it does not lead to more inclusive processes of participation and delivery.

The meaning(s) of social innovation

Based on our literature review, we identified four definitions of SI, distinguished according to the scale and scope of social change to which they are referring (see Table 1). The first definition is what we called structural SI. It is mostly inspired by the writings of early social scientists such as Karl Marx, Max Weber or Emile Durkheim, whose aim was to interpret and explain wide ranging social transformation (Godin, 2012; Jessop et al., 2013). This does not mean that these authors have used the term themselves, but that it has been used to classify the type of transformations that they were analysing. As argued by Godin (2012), SI was used in the 19th-century to refer to the social transformations brought about by democratic revolutions and the transition to capitalism, which was a core concern of these early sociologists. In this context, SI refers to the social changes that had to happen in the structures of society to accommodate (or to trigger) new economic and political systems. It is therefore used as a generic concept that encapsulates, among other things, significant changes in government and governance, in the relationship between different social groups (or social classes) or in the role of religion in politics and society (Grimm et al., 2013; Jessop et al., 2013).

This use of the term has nonetheless become less common, partly because the social sciences have in general moved away from structural analysis of big societal

transformations in favour of more contextualised or micro-analysis of social phenomena (Scott, 2000). But we would argue that it has also fallen into disuse because when studying such wide ranging social transformation, it is necessary to isolate different dimensions of change such as the emergence of modern state administrations (Fukuyama, 2012), or the impact of property rights on the distribution of political power (Acemoglu et al., 2005). The complexity of these issues, and their impact, is such that each dimension has to be analysed independently, even if their interdependence is acknowledged. For this reason, though it can be useful to use the term SI as a metaphor for general change, any analysis of such large transformations will need to delve into specific issues. Only in this way is it possible to identify the causal mechanisms that generate new institutional forms and the different ways in which they affect society (Acemoglu and Robinson, 2012; Acemoglu et al., 2005). A general reference to SI does not allow for this because the term is too general to explain any of these processes in detail.

Structural SI has also occasionally been used to refer to large social movements, such as trade unionism, environmentalism or feminism (Henderson, 1993; Jessop et al., 2013). In this context, SI has two main meanings: one refers to the social impact that these movements have in terms of the new relationships that are forged and their challenge to previous power structures. In this meaning these movements themselves are seen as a SI, irrespective of their outputs. The second meaning is narrower, and refers to the strategies that individuals and organisations that are part of these movements devise to develop, strengthen or reinvigorate their cause (Novy and Leubolt, 2005; Papakostas, 2011). This meaning is closer to what we would call targeted radical SI, which will be discussed in greater detail in subsequent paragraphs. The use of SI to discuss social movements has, however, been limited. There are significant historical or sociological literatures on these topics, where other terms have been rather more prominent (Chesters and Welsh, 2010). The problem here, as before, is that it is unclear how using SI would help clarify or advance our understanding of these processes, apart from indicating that these movements are (or were) new and represent innovative organisational forms.

Our second and third definitions, radical SI and complementary SI have been the most commonly used over the past three decades. The former describes activities which aim to change in a significant manner the way that certain goods or services are produced and delivered. These activities are radical in reference to the context in which they exist and therefore are explicitly about challenging the status quo, namely by addressing asymmetrical power relationships. Examples of this type of SI include: transition towns, which are grassroots community initiatives that aim to build sustainable living environments, by reducing CO₂ emissions and addressing inequality (Scott-Cato and Hillier, 2010; Seyfang and Haxeltine, 2012); alternative local currencies, such as time banks, where individuals can exchange goods and services without using traditional currencies (Gibson-Graham and Roelvink, 2013); or indigenous social movements, that aim to strengthen local cultures while also addressing discrimination and the lack of equal rights (Tapsell and Woods, 2010).

One practical example of targeted radical SI is discussed by Membretti (2007) through a case study of the *Centro sociale Leoncavallo*, in Milan. Established in 1975 by leftist groups, on the back of social movements emanating from the turmoil of 1968, it had three aims: to create a self-managed place where individuals could live and create (through the occupation of an abandoned factory), to deliver socio-cultural activities in a blue-collar district of the city and to mobilise the community for wider political and social goals. As Membretti shows, during the almost four decades of its existence the activities in the centre fluctuated in their goals and aims, but were able to mobilise a variety of networks and social actors to resist eviction and to gain legitimacy. Therefore, though they operated within the socio-economic

structures of wider society, and were even awarded the status of public interest by the court of Milan, their existence has been the product of recurrent struggles with the owners of the property, with the police charged with evicting the occupants at various points in time and with the state, who ordered such evictions.

Because these initiatives are often small scale and focused activities, their goals and strategies cannot be understood outside of their context, often incorporating social, economic and geographical dimensions (Moulaert et al., 2013b). Targeted radical SI can refer for example to a specific ethnic group, located in a particular place, addressing inequalities that are caused by national or local institutions. Their primary goals are often specific and limited in scale and scope (when compared to structural SI), though they tend to view their actions as part of national or international movements (Moulaert et al., 2013b). This way of thinking is encapsulated in the famous adage of the environmentalist movement: think global, act local.

In contrast, targeted complementary SI describes activities that seek to improve the production and delivery of certain goods and services, without radically reshaping current institutional arrangements or power structures. Here SI echoes concepts such as the quadruple-helix and co-design, which emphasise the importance of broad participation, that have recently gained grounds in areas such as health, education or governance (LIPSE, 2014; Mieg and Töpfer, 2013). This form of SI refers to activities that aim to include end-users, or citizens, in the design and delivery of goods and services, primarily those that are offered through, or with the support of the welfare state. Similar to the previous definition, there are also contextual dynamics, because they tend to be circumscribed to certain domains (education or health, for example), tend to rely on the third sector and community based initiatives, and they are usually the product of specific national welfare regimes (LIPSE, 2014; SEISMIC, 2015).

An oft cited example of this type of SI is the Grameen Bank, created by Nobel-prize winner Muhammad Yunus in 1976 to support business activity in Bangladesh through micro-credit, without the need for borrowers to present collateral assets (Kumar et al., 2013; OECD, 2015). One of their most important innovations was the organisation of borrowers into groups of five people, who meet weekly with the bank to make their payments. If one of the members of the group fails a payment, the whole group is excluded from taking further credit. The objective of this strategy is to encourage each small group to develop strong trust based relationships of support and encouragement. According to the bank's own data, in December 2015 it had 8.81 million borrowers, 97% of whom women, and it had in 2016 profits of Tk 100 crore (nearly E12M) (Grameen, 2017). Apart from addressing a clear human need, the Grameen Bank promotes new social relationships and addresses some very specific domains: gender discrimination, social exclusion and poverty. Its efforts, however, take place within well-established socio-economic structures, and there is no indication that the bank wants to significantly subvert power relations (though by empowering women it does have the potential to counteract unequal power relations between genders).

Our final SI type, which we term instrumental SI draws attention to the tendency of actors in the policy, practice and academic communities to rebrand existing activities and initiatives in line with the latest nomenclature, without fundamentally (or indeed superficially) altering their goals or outputs. Examples include debates on community development or third sector activities (Mulgan et al., 2007; Pinch and Sunley, 2015), on corporate social responsibility (Graddy-Reed and Feldman, 2015) or philanthropy (Foster et al., 2016). The reason we called it instrumental SI is because according to our literature review there is very little novelty in the phenomena being studied, the methods being used or the implications that result from research, in comparison to what was already being done using previous concepts.

There is therefore no obvious strong reason to rebrand these initiatives as SI, other than the popularity of this term among policy makers, academics and business people. Even though it is difficult to identify the reasons for this popularity, it is likely connected to the pervasiveness of the concept of innovation itself, which is a central tenet of many economic development strategies around the world (OECD, 2010).

We argue here that this rebranding is not accidental and is in fact one of the most important dynamics affecting the use of SI both in research and practice. This is because the instrumental use of SI serves two contradictory agendas: one could be called a progressive agenda, and it seems to align with what some of its main proponents intend (Moulaert et al., 2013b; Mulgan, 2006). In a context of welfare state retrenchment, the privatisation of public services, and the dominance of market based approaches in policy making, the use of this concept allows those who want to push back against these trends to galvanise political, social or even business support for social welfare initiatives. Calling such initiatives SI allows them to demand action on issues such as poverty, social exclusion or gender discrimination, while using language (particularly the word 'innovation') that resonates with current political narratives about the superiority of market-based approaches to solving welfare issues.

On the other hand, instrumental SI also fits very neatly with a contradictory agenda that legitimises those same trends as part of a supposedly benign reconfiguration of the welfare state. In this context, it is possible that the word 'social' is what makes it an appealing concept, since it allows its proponents to support privatisation, market-based approaches to welfare provision and smaller public budgets, while arguing that they are still primarily concerned with social outcomes. This is because according to its supporters, the aim of this reconfiguration is to improve the delivery of services by involving communities in the design and delivery of essential goods and services, rather than relying on top-down state initiatives (Goldsmith et al., 2010). One illustrative example of how instrumental SI can serve both agendas simultaneously is found in the Office of Social Innovation and Civic Participation (OSICP), created by the USA president Barack Obama in 2010 (White House, 2015). According to the office's website:

The Office of Social Innovation and Civic Participation is focused on developing policies and programs to accelerate economic recovery and create stronger communities. We do this by harnessing human capital and facilitating financial capital. (White House, 2015)

Through this quote, and particularly through an analysis of the type of initiatives that it funds, it is apparent that the OSICP is supporting community development initiatives which have been a part of welfare provision in the USA for several decades (Kenny et al., 2015). In this sense, the OSICP is not creating anything particularly new, though the significant amount of funding available, and the creation of a central office to distribute it, can help coordinate activities and promote upscaling. On the other hand, according to *The Economist* (2010), its creation was part of a new approach to solving social issues, which was also making headway across the Atlantic in the UK government's vision of a 'Big Society'. In the latter's case, there was a clear alignment of this vision with the politics of austerity and state retrenchment. But even in the US, the creation of OSICP was influenced by the work of Stephen Goldsmith (Goldsmith et al., 2010), who was at the time New York's deputy mayor for operations and who had previously been a mayor in Indianapolis, where he became known for privatising public services and firing 40% of the city's non-uniform workers (*The Economist*, 2010). Therefore, even in a context where the concept of SI has been used to strengthen community initiatives, it ended up contributing to the neoliberal agenda which favours the transfer of public goods to the private sector and government budget cuts.

SI – Research, normativity, practice

A further necessary distinction is that between SI as a research concept, a normative guide and a concept used in practice. These three incarnations of SI, which have all had different degrees of success, are often used interchangeably in a way that weakens the usefulness of this concept. In arguing for this clarification, we disagree with the proposition made by Moulaert et al. (2013b) that blurring the lines between the research and normative implications of SI is positive, because it encourages interdisciplinary research and helps to blend research and action. We argue instead that this lack of rigour limits the potential of this concept, as a tool for both research and action. Based on our literature review, we observed that articles using the term SI often shift seamlessly between definitions of what SI is and what it should be (Borzaga and Bodini, 2014; Cajaiba-Santana, 2014; Grimm et al., 2013; Mieg and Tö pfer, 2013; Novy and Leubolt, 2005; Pol and Ville, 2009). This use of the term occasionally leaves the reader unaware of what has been observed in practice and what the agents on the field, or the author, would like to have seen happen as a result of their own values. On a wider level, and perhaps more importantly, the lack of clarity between these three dimensions facilitates its co-optation by individuals or organisations with very different political agendas, as discussed in the previous section.

Our distinction between four types of SI and the three elements that distinguish SI from other concepts can be used as a guide in this matter. SI as a research concept should first identify the scale and scope of the processes that it intends to study. This is important because it also helps the researcher to justify the use of this concept rather than others which might have been extensively used before in the study of the same phenomena. It should also determine that for a certain event to classify as SI it needs to address the issue of inclusiveness, state its values clearly and identify its targeted domain. This exercise will allow the researcher both to discuss whether the event under research is in fact socially innovative and to measure the impacts (both on process and on outcomes) that it has had in practice. Importantly, it should be clear what has been observed through research and empirical analysis, in contrast to what the agents or even the researcher intended to happen.

As a normative concept, SI can also draw on these same definitions, though with an emphasis on desired outcomes, rather than on observed ones. For this to happen though, SI proponents need to go further than what has been proposed so far in the literature. To argue that SI can help create a more just or equitable society (Moulaert et al., 2013b) is not sufficient without outlining a better theory of how it would come about. This would imply, for example, identifying the probable agents of change. Will it be local communities, individual activists or global movements, such as those made possible by the spread of ICT technologies? If it is all of them in coalition, how will they link, which resources can they use to sustain their activity? Additionally, any process of change is likely to encounter barriers, either specific to certain contexts (e.g. the characteristics of third sector organisations in particular contexts), or structural (e.g. political differences on the dangers or virtues of inequality). It is important to identify these barriers, so that an appropriate roadmap can be laid out for those that seek change. The literature on socio-technical transitions, particularly that which focuses on niche management, helps to illuminate the complexity and interdependence of different parts of a system, and the challenges of upscaling local initiatives (Coenen et al., 2012).

Second, it would be necessary to propose a set of mechanisms through which this change can happen. For example, is the objective to test SI initiatives at the local level and then find ways to upscale them? And if so, how will this be achieved? Will it be through bottom-up

organisation and mobilisation of third sector organisations, or through a more formal engagement with electoral politics? Also, is the objective to improve the welfare state, to replace it with something new, or to radically reshape its functioning? Even in the case of targeted radical SI, is the aim to create radical alternatives at the local level, as spaces of resistance in an otherwise unchanged world (Hobson and Seabrooke, 2007)? Or are these initiatives intended to set the change for structural radical change? If so, how will this happen?

These, and other, fundamental questions need answering. Otherwise SI will remain a well-meaning concept used to talk vaguely about a more equitable world, while being used for a variety of unconnected and contradictory purposes. In fact, we would suggest that so far SI has been most effective as a concept in practice, in contrast to its use as a research tool or a normative guide. This is because it has been used by a variety of organisations, in the policy (BEPA, 2014; NESTA, 2008), academic (Nicholls et al., 2015) and business (Foster et al., 2016) realms to inform and deliver a whole range of initiatives. In some cases, though the term itself might not have served as a guide to action, initiatives that have been successful in practice (such as the Grameen Bank) have been (re)labelled as poster-children of SI post facto (The Economist, 2010). Though this success is without doubt a product of its conceptual malleability, one could question whether this same malleability prevents it from being used more effectively by agents and organisations seeking fundamental change.

SI, socio-technical transitions and the foundational economy

One of the ways in which SI could develop its theoretical and empirical foundations is by engaging with emerging or well-established concepts, which cover overlapping themes. Among them is the concept of socio-technical transitions, which has become important in the field of environmental research and policy, among others (Coenen et al., 2012). Its aim is to understand how technological systems are embedded within their wider institutional, political and social contexts, by defining a socio-technical regime as ‘the coherent complex of scientific knowledge, engineering practices, production process technologies, product characteristics, skills and procedures, established user needs, regulatory requirements, institutions and infrastructures’ (Rip and Kemp, 1998: 338). This embedding suggests that all change within the regime is likely to be path-dependent, whereas radical change is likely to originate from the outside (Seyfang and Haxeltine, 2012). Such considerations are extremely important in debates about climate change and about whether it can be addressed incrementally or only through a new technological regime (Moore et al., 2014; Seyfang and Haxeltine, 2012).

According to this literature, there are different scales at which innovation activities are undertaken before they become dominant (Coenen et al., 2010; Moore et al., 2014). First, new ideas start out by operating at the niche level, where they are protected from market or political forces and have the freedom to develop and test new solutions. At this stage, three processes are crucial to ensure their successful development: managing expectations, building social networks and learning (Seyfang and Haxeltine, 2012). Only in case these processes are well managed and the new idea is allowed to grow and emerge, does it get upscaled to regime (meso-level), where it assumes the characteristics cited in the previous paragraph. Finally, the regime becomes dominant when the landscape (or macro) level, which refers to the formal and informal institutions regulating society, adapts to its features, serving as a stabilising force but also potentially as a source of disruption. An example of the latter is when democratic forces are used to force innovation related to climate change (Coenen et al., 2012).

The main contribution of SI would be to help clarify what kind of obstacles radical, local or community-based initiatives (niches) are likely to encounter in the process of upscaling. First by drawing attention to the value based nature of new ideas in areas such as climate change, SI can help clarify the goals of experimentation and contribute to manage the expectations of different actors involved. Second, because SI is fundamentally about building new social relationships, it would contribute to the second goal of building social networks, and emphasise the importance of the process as much as the final aim (Seyfang and Haxeltine, 2012). On the other hand, research on socio-technical transitions provides a useful reminder of the interdependence of different social arenas in dynamics of change. This means that those engaging in SI practices need to be aware of the technological, economic, political or social context that characterises a regime. This has consequences for upscaling strategies, as it implies that relationships have to be built across different institutions and social arenas in order to achieve real change. This was demonstrated for instance in the case study analysed by Membretti (2007), which demonstrated how even a radical community project had to engage with formal organisations (even those that were at different moments trying to dismantle it) in order to survive.

Another strand of literature that could be a useful complement to SI thinking is the work on the 'foundational economy' (Bowman et al., 2014; Leaver and Williams, 2014). Based on research conducted at the Centre for Research on Socio-Cultural Change (Manchester University), a group of authors have called for a radical process of political decentralisation that could support a new social contract with the private sector. This is a normative project, which draws on research in specific sectors of the economy to find ways to improve welfare through political coalitions. The gist of their argument is that many firms operate in a context of de facto monopoly or oligopoly, particularly in sectors such as transportation, energy, telecommunications or retail. For this reason, Bowman et al. (2014) argue that governments in deprived areas should be capable of negotiating better deals for their communities. These deals would include the need to reinvest a share of the firm's profits locally, the need to develop local value chains or to implement labour market policies that could raise income and skills among the local population.

In the work on the foundational economy, there is a clear understanding that this process involves political commitment and is not likely to come about seamlessly without the mobilisation of communities, political actors and other interested parties. Though SI is only one dimension of events and processes that can bring about such change, it can make an important contribution particularly in terms of involving a wider range of individuals in societal change and in terms of thinking about needs and wellbeing, rather than merely on economic outputs. By discussing it in the context of these wider debates, either as a research tool of a normative concept, SI would be better positioned to make a strong contribution to how new forms of social engagement can achieve better outcomes.

Conclusions

Summarising, this paper has attempted to clarify the meaning(s) of SI by distinguishing between structural, targeted radical, targeted complementary and instrumental SI. It has argued that in order for a social phenomenon to classify as SI it must be based on inclusive processes, it must seek to address need and it is likely to be targeted at a specific social domain. This paper also argued for a much stricter differentiation between SI as a research tool, as a normative concept, and as guide for practice. Finally, we sought to discuss how engagement with other literatures would provide fertile ground for mutual learning between SI proponents and those thinking about issues such as climate change or welfare. Drawing

on our discussion so far, this paper will now highlight two lines of theoretical and empirical work that would merit further attention.

One of the biggest challenges for SI research and practice is its capacity to create an agenda that prevents its co-optation by political and business entities which are likely to undermine the goal of improving the satisfaction of unmet needs. It is true that the authors working on this concept from a progressive perspective, such as Moulaert et al. (2013b), cannot prevent it from being used by those who merely seek to draw on it to legitimise the retrenchment of the welfare state. Still, we argue that by using more precise definitions, that can both assist in empirical research, and chart a normative path for social transformation, it is at least possible to make clearer distinctions between instrumental and other forms of SI. Importantly, this also means being clear about how progressive agendas in community development or participatory governance are not always socially innovative.

We would argue also that SI research could be more explicit in presenting this concept as a counterbalance to the dominance of technological innovation in contemporary policy discourses. As argued by Godin (2012), this was a driving force behind the resurgence of the concept in the 1970s and it also underpins Moulaert et al.'s (2005) call for alternative models of local innovation. This is important because research on technological innovation rarely addresses the social disruption and inequalities that can result from technological progress, especially in contexts where the institutional environment is not geared towards redistributing the benefits of growth (Cozzens and Kaplinsky, 2011). SI could help clarify how inclusive innovation processes can help address some of these issues, in connection with action by the nation-state and other relevant organisations in the pursuit of more inclusive institutions (Acemoglu and Robinson, 2012; Chataway et al., 2014; OECD, 2015).

If SI research can achieve greater clarity and make a stronger statement about its potential to make innovative contributions, it will be well positioned to address topical and timely research areas such as climate change (Eriksen and Selboe, 2012; Scott-Cato and Hillier, 2010), ageing (Mulgan, 2006) or poverty reduction (Kumar et al., 2013; Moore et al., 2014; Moulaert et al., 2005). It can do this by drawing attention to the social dimension of technological progress and political change, and emphasising the importance of more inclusive solutions to pressing human needs.

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