

# **Governing Transformative Social Innovation: Capture dynamics in the Social Solidarity Economy**

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## **Abstract**

As many of current ecological and social challenges are understood to be particularly persistent, deep-rooted and systemic, remedial strategies are proposed that are of a likewise systemic orientation. As the requisite system transformations may offer solace only when it's too late however, the crucial task for transitions governance may therefore be to ensure acceleration. This contribution brings forward a critical perspective on this issue. Against the all too linear 'race track' metaphor introduced by acceleration ambitions, it is aimed to explore and specify the governance challenges of transitions, and especially the governance of transformative social innovation (TSI). As will be argued through a dialectical perspective, such processes crucially unfold through the collective struggles and negotiations between diverse actors and institutional logics. Initiatives towards transformative social innovation are subject to translation and capture: This will be illustrated through the exemplary case of the Social Solidarity Economy (SSE), and the practice of 'insertion' in particular. The paper concludes by teasing out the main empirical observations on capture dynamics, and by reflecting on their wider implications for the governance of transitions and transformative social innovation.

## **1 Introduction: Transitions governance between acceleration and transformation**

Current crises and societal challenges as they manifest in economy, ecology and other domains, give rise to worries amongst researchers and practitioners. There is an increasing understanding that transitions are needed to address current particularly persistent, deep-rooted and systemic challenges, as remedial strategies of a likewise systemic orientation (Grin et al. 2010). Against this background, a recent trend is the bet on social innovation as a lever towards sustainability transitions (Moore & Westley 2011; Haxeltine et al. 2013; Moore et al. 2014). Either as a complement to technological solutions or as a pathway of behavioural and political transformation by itself, there are reasons to believe in transformative social innovation (TSI) as a sustainability strategy (Avelino et al. 2013; Hajer et al. 2015; Pel et al. under review). Still, however encouraging the recent impulses towards

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system transformations, these may offer solace only when it's too late already. Transitions governance is therefore often accorded the task of fostering acceleration, and of removing the 'barriers' encountered in envisioned transition pathways. Mutatis mutandis, this acceleration motive also surrounds the quest for transformative social innovation as an emerging transition field.

This contribution brings forward a critical perspective on this issue. Against the all too linear 'race track' imagery (Stirling 2011) introduced by acceleration ambitions, it is aimed to explore and specify the governance challenges of TSI. Whilst sharing the sense of urgency that underlies the acceleration motive, and also subscribing to the idea that social innovations are promising sources of transformation, it is aimed to explore the governance challenges entailed with TSI – arguably a particularly intricate kind of transition processes. The contribution thus follows earlier insights that have established why the quest for acceleration is a problematic mind-set for transitions governance. Notwithstanding overwhelming evidence of necessary systemic changes or at least grounds for serious 'matters of concern' (Latour 2004), transitions governance needs to abandon mechanistic notions of accelerating, steering and 'cockpit-ism' more generally (Hajer et al. 2015). After all, any acceleration will be an emergent result from diverse actor operations, dispersed over various societal subsystems. In current diverse network societies, actors differ in their understandings of systemic problems, solutions and desirable states (Rip 2006; Smith & Stirling 2010). Moreover, current governing networks form through the diversity and possible incompatibility of interests, the dispersal of resources, and the interdependencies between actors under fundamentally dynamic circumstances (Koppenjan & Klijn 2004; Teisman et al. 2009). Also within transitions studies, despite the tendencies towards systems-theoretical idealism and the associated 'post-political' discourse (Walker & Shove 2007; Pel et al. forthcoming 2015), these insights into the complexity of current decision-making contexts have abundantly been brought forward. The alleged race-track is thus known to be a particularly winding and bumpy road. As transitions by definition involve considerable degrees of creative destruction, resistance from vested interests is only to be expected (Meadowcroft 2009; Grin et al. 2010). Apart from plain sabotage of transitioning policies (Hess 2014; Geels 2014), there are abundant accounts of half-hearted innovation or 'greenwashing'. Attempts at transformation are typically susceptible to 'capture' – the co-opting, domesticating and neutralizing adoption of innovations that is so frequently reported to haunt transitions processes (Voß et al. 2009; Kemp & Rotmans 2009).

The key governance question is therefore not so much *how fast* a hypothetical 'we' could transition, but rather *in which directions* distributed agency takes us. Other than keeping 'integrative transitions' on course, transitions governance crucially involves continued engagement in the collective struggles and negotiations over 'diverse transformations' (Stirling 2011). As will be argued, this circumstance applies even more strongly to transformative social innovation. This leads to the following explorative research question:

*Considering that the governance of transitions is not about acceleration but rather about dealing with 'diverse transformations' and capture dynamics, and further considering the particularities of TSI as a transitions field, how should the challenges for TSI governance be understood?*

This question is answered by proposing and applying a dialectical perspective. This responds to the confrontations between diverse institutional logics and societal ambitions that characterize social innovation processes. A dialectical approach helps to clarify the resulting capture dynamics in two important aspects. In the first place, capture is acknowledged to be fundamentally ambiguous; it is a phenomenon with many faces.

Second, it is approached as a dynamic phenomenon, in which inflections occur from domestication to radicalization and vice versa (Pel under review). As will become clear through interpretive analysis of interviews and secondary data, these two aspects are exhibited in exemplary fashion in the field of the Social Solidarity Economy (SSE). This very cluster of alternative economies has formed through longstanding struggles to transform dominant economic relations - which simultaneously seem to be malleable and rock-solid, invitational to innovation and smothering it. The practice of insertion is lifted out as an exemplary transversal theme.

The paper proceeds as follows: first, the recent quest for transformative social innovations is discussed and positioned. Against idealistic calls for and expectations of acceleration, a dialectical model is proposed (**section 2**). After a brief methodological account of the empirical sources selected and interpreted (**section 3**), it is explored how the theorized dialectics of capture manifest in the field of the social solidarity economy and insertion practices (**section 4**). Reflecting on the TSI dialectics observed therein, the paper concludes by teasing out the wider implications of those for TSI governance (**section 5**)?

## **2.0 Transformative Social Innovation and the dialectics of capture.**

As introduced, the governance of Transformative Social Innovation cannot, arguably even less than the governance of transitions, be guided by ambitions of acceleration. It involves processes shaped by fundamentally diverse and often even contradicting forces. In the following it is explained how social innovation is an emerging transition field that is particularly shaped through opposing forces towards transformation and capture (**section 2.1**). Accordingly, TSI governance can be understood through a dialectical perspective on diverse actors' translations (**section 2.2**).

### **2.1 Social Innovation between transformation and capture**

From a transitions-theoretical perspective, social innovation can be considered as a dimension of, or a lever towards, the socio-technical system transition pathways as distinguished by Geels & Schot (2007). There are indeed abundant examples of such (transformation-accelerating) leverage. One can think of the energy cooperatives as change agents in the energy transition, of alternative currency collectives reaching the critical mass to become viable alternatives within dominant economic structures, or of sharing schemes and informal service provision schemes that upset regime structures in mobility, housing and agriculture. In some cases, these socially innovative 'niches' can indeed be seen to induce the theorized restructuring and adaptation of 'regime' constellations (Grin et al. 2010; Smith & Raven 2012). The feed-in tariffs for alternative energy can be considered exemplars for such feeding-in more generally – initially marginal social practices and relations can become institutionalized into mainstream practices. In the end phase of such mainstreaming, social innovation is even no longer recognizable as such – as the various arrangements of welfare states testify.

There is also a dark side to the institutionalization of these social 'niches', however. Just as it has been reported with regard to technological 'niches' like bio-fuels or E-mobility, the mainstreaming is seldom entirely unproblematic. So against idealistic accounts of magic TSI pathways, the institutionalization of social innovations could very well be a forebode of transformative impulses being channelled, encapsulated, domesticated and eventually stifled by the very institutional structures they were to change. Here one can think of sustainable

houses being stripped from their underlying social sustainability principles (Jensen et al. 2012), of sharing schemes being commoditized into crypto-businesses that merely mimic the communicative-rational sharing philosophy (van Veelen 2014), of renewable energy activists transforming into defenders of sector interests (Geels 2014), or of citizen empowerment acting as Trojan Horse for neoliberal ideology (Swyngedouw 2005). In terms of transition theory, these unfortunate accounts of SI institutionalization are then displays of incumbent regimes that exert their tendencies towards system stabilization - absorbing the novelties that perturb their deep structure.

From a governance perspective, these transformation and capture processes are not clashes between niche and regime *systems*, but rather interactions between dominant and subaltern *actors*, and entanglement of hegemonic and counter-hegemonic *discourses*. As this portrayal of niche-regime interactions is more concrete about actors, institutions and therefore transitions politics (Smith 2007; Geels 2014), it helps unravel the often so subtle capture dynamics involved. As recently reinstated by Smith & Raven (2012), there remains much to explore regarding the 'fit- and-conform' and 'stretch-and-transform' trajectories of niche innovations. Such intricate 'niche-regime' interactions remind that there is not only the dramatic gap between either transformative or captured social innovation, but also a significant and not entirely understood grey zone in between. Examples of social innovations in that grey zone abound – in fact, few of the above-cited examples can be considered clearly 'bright' or 'dark' social innovation cases.

Arguably, the grey zone between transformation and capture is the key locus for the governance of transitions (Pel & Bauler 2014). Yet especially for social innovation, as a particular sub-set or dimension of socio-technical transformation (Schubert 2014; Cajaiba-Santana 2014), this zone seems difficult to avoid and particularly important to navigate. Social innovation, even when notoriously difficult to define and to delineate (Cf. Lévesque & Lajeunesse-Crevier 2005; Moulaert et al. 2013; Howaldt et al. 2015), can roughly be understood as processes in which new social practices, roles and relations are brought forward, and in which social changes occur along the dimensions of knowing, doing, organising and framing (Haxeltine et al. 2015). As such, it overlaps with several other innovation prefixes that currently hold sway<sup>2</sup>, such as innovations in governance (Voß 2007; Pradel Miquel et al. 2013), grassroots innovation (Seyfang & Smith 2007; Seyfang & Haxeltine 2012) public innovation (Bekkers et al. 2013) or institutional innovation (Hargrave & van de Ven 2006; Lévesque 2013). In fact, these very overlaps underline why some authors seem to situate SI precisely in the aforementioned grey zone between transformation and capture: social innovation has been considered to typically involve the repositioning of multiple actors, and the blurring boundaries between different institutional logics (Nicholls & Murdoch 2012; Avelino & Wittmayer under review). Moreover, it is generally seen to involve significant shifts in governance and associated modus operandi (Moore & Westley 2011; Moulaert et al. 2013). On these accounts, SI is thus inherently a process that is evaluated along different institutional logics, belief systems and normative principles (Cf. Jessop et al. 2013). Any such transformation attempts is susceptible to capture from different societal quarters.

## **2.2 TSI dialectics: contested translations in a multi-actor space**

The governance of TSI, even more than transitions governance more generally, can thus be understood as a process that involves a certain 'grey zone' between capture and transformation. Social innovations are collectively shaped by a multitude of actors with, all

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<sup>2</sup> We thank Adrian Smith for pointing this out.

with their particular interests, ambitions and action programs. This highlights the moments in which attempts at innovation are seized and captured by actors who seek instruments for their divergent programs of action. Arguably, this agonistic portrayal of events acknowledges both the desires for accelerated transition, and the circumstance of contested transformations. Moreover, it seeks to give expression to the often so subtle nuances between malevolent capture on the one hand, and the regular appropriation and domestication of novelties on the other hand. All of this means that the governance of TSI is understood to target, and be part of, a *dialectical* process (Hegel 1807).

The key characteristic of such dialectical perspective is that it conceives of the social world as one that is subject to opposing forces, and one that is therefore constantly in a state of becoming. It is therefore not surprising that dialectical perspectives have earlier been brought forward to gain understanding of innovation processes (Poole & van de Ven 1989; Hargrave & van de Ven 2006; Penna & Geels 2012). More specifically, this paper builds on Pel (under review), in which a dialectical perspective is developed that helps to articulate two important aspects of innovation capture, namely 1) its fundamental ambiguity and 2) the potential for inflections between capture and radicalization over time.

### **3 Methodology: Translations tracing and elusive TSI agency**

Apart from its theoretical adequacy, there is also the question of whether the proposed dialectical perspective can be elaborated into a method that yields valuable empirical insights into TSI and its governance challenges.

Such elaboration can build on the investigation repertoire of the sociology of translations, as developed by Callon, Latour, Law, Bijker and many others (Akrich et al. 2002; Latour 2005; Star 2010). The capture dynamics of TSI processes can be observed through an analytical framework with a limited set of key observables, and through an overall mode of observation that is sensitive to the relations between actors and entities. It is about reconstructing the actors involved with a certain innovation, their particular interests in it and the problem perceptions that it is playing into. It is further observed how an innovation is adapted, modified, 'tweaked' and translated, and how innovation attempts become somewhat unstable, polyvalent entities or 'boundary objects' in the process. Furthermore, also acknowledged as key 'actors' are the attempted innovation attempts. These are highly unstable, transient 'entities'. Like the 'boundary objects' that are far less solid and object-like than they've often been taken to be (Star 2010), attempts at TSI arguably even less object-like and highly ambiguous. Most usefully, this translations tracing can not only be applied to material, technical innovations, but just as well to the more elusive entities that social innovation processes tend to bring forth. These can be positioned somewhat in the first two dimensions of the 'ideas, actions & objects' shapeshifting as sketched by Czarniawska & Joerges (1996).

The proposed dialectical perspective can thus be considered to deploy the 'sociology of translations' methods, whilst emphasising certain aspects of it. It stresses the element of strategic behaviour, deceit and latent programs, for example - the apparent pervasiveness of transitions 'capture' gives reason to be attentive to those perverting, unintended translations. Likewise, the dialectical perspective highlights how translations are not just incidental negations, captures or antitheses, but tend to be only moments in ongoing translation sequences. The essential events in innovation processes are then inflection points, the

dialectical antitheses and syntheses<sup>3</sup> – initial capture turning into radicalization, or the other way around. Such longer term perspective on transition processes is essential to transitions studies, but also acknowledges that TSI may be similar to political change more generally, namely a matter of “geduldiges Bohren dicker Bretter”<sup>4</sup>.

Still, apart from the question of what to observe, there is also the question of where to observe. So whereas this paper draws on empirical material on the Social Solidarity Economy (SSE) ‘field’ as a exemplary locus of TSI dialectics, it is not self-evident what this ‘field’ stands for, or what it contains. Without going into the matter in-depth, it can at least be sketched how the very phenomenon of TSI poses some important demarcation challenges – which actually underline the complexity of its governance. In the first place, a basic guideline for our case analysis is that the topic requires some in-depth understanding of innovation in-the-making (Akrich et. 2002), and some understanding of process (Langley 1999). It is therefore important to zoom in onto some concrete, situated process around a particular innovation attempt or initiative. In that regard we consider the SSE as a social innovation initiative that can be compared with others<sup>5</sup>, such as Eco Villages, Time Banks or Hackerspaces (Jørgensen et al. 2015). Beyond that initiative, it is crucially to bring into view a whole host of translating actors, however. As the very phenomenon of SI is understood to be reconfigured relations between actors, TSI agency is fundamentally dispersed. In that regard we follow an approach of embedded units of analysis, in which TSI agency is acknowledged to be dispersed over international social innovation networks and local SI initiatives (Jørgensen et al. 2015). The SSE ‘field’ is thus described through data on the intercontinental and European (sub) networks of RIPESS (Réseau Intercontinental de Promotion de l'Economie Sociale Solidaire) as a network of SSE networks, and on data from the Belgian/Flemish Social Economy sector (Pel & Dumitru, 2015). Finally, the empirical observations clearly need to reach well beyond the local initiatives, if it is to address the transformative dimension of social innovation. Against the prevalent micro-focus in translations-sociological research, and in line with the focus on transition processes, the analysis should not miss out on the ‘bigger picture’ within which TSI attempts evolve (Avelino et al. 2014; Haxeltine 2015).

#### **4 Capture dynamics in the Social Solidarity Economy: the dialectics of ‘insertion’.**

As indicated in the previous section, this paper explores the challenges of TSI governance by considering the capture dialectics as they manifest in the social solidarity economy (SSE) field. This field poses an interesting exemplar case, for the following characteristics. First, it is often regarded to operate in the very grey institutional area between markets, states and civil society aforementioned. Second, the concept of SSE critically confronts the existing relations between these institutional logics, unfolding explicitly transformative ambitions towards a more social and sustainable economy. Third, these transformative ambitions are often accompanied with an acute awareness of capture (Frans et al. 2002; Dinerstein 2014;

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<sup>3</sup> Although understood more agonistically than is suggested by the classic, somewhat pacifying formula in which thesis and antithesis are naturally followed by synthesis.

<sup>4</sup> The authors thank Veit Bader for raising this issue.

<sup>5</sup> This comparison is done within an international research project on ‘transformative social innovation’. This TRANSIT project seeks to develop a middle range theory on the social innovation potentials towards societal transformation and transitions (Avelino et al. 2014).

Utting et al. 2014). The very composite term of ‘social’ and ‘solidarity’ economy’ constitutes an insightful discursive space of both battle and convergence (De Mey et al. 2008; Defourny & Develtere 2009, Jacobs et al. 2013; Poirier 2013; Kawano 2013; RIPESS 2015), indicating more and less radicalized translations of the ‘social economy’. Fourth and finally, the field has a particularly extensive history of transformation attempts. This obviously facilitates the observation of longitudinal evolution and dialectics.

For reasons of conciseness, the following analysis zooms in onto the Belgian/Flemish context, and presents the capture dynamics in the SSE through the transversal theme of insertion<sup>6</sup>. The SSE can roughly be described as an economy that puts Man central, rather than Capital (Poirier 2013; Utting et al. 2014). This comprises various kinds of alternative economies, but a particularly prominent activity in the European and Belgian contexts is that of ‘insertion’. This amounts to the employment of people that prove not to be employable under prevalent market conditions, or within the so-called Normal Economical Circuit. The idea is then that labour subsidies, special trainings and guidance are ways to empower this group of otherwise marginalized people. Inserting them into the society and labour process that they have become disconnected from, they can fulfil more satisfactory societal roles. In the following it becomes clear that the very notion of ‘satisfactory societal roles’ is of course contested. The practice of insertion thereby exemplifies how attempts at transformative social innovation tend to involve contested multi-actor translation process more generally. Compiling interview statements from key protagonists, the typical dialectics -i.e. the succession of theses and antitheses- come forward.

As indicated by one of the founders of the Flemish deliberation platform for social economy VOSEC, in 1997, the shared feeling amongst the initiators had been that the insertion was not only a matter of helping vulnerable individuals, but also of articulating critiques and transformative ideas. *“... all these organizations, working at the basis with these people, those were all quite progressive organizations, who didn’t only want to make these people stronger, but also wanted to have the structural problems removed from this world...and one of these structural problems was, why don’t these people from the marginalized groups<sup>7</sup> find a job?! That is because the Normal Economic Circuit, an odd term as it isn’t that normal, because it’s only the highly-skilled finding opportunities there. The widely shared ideological line, back then, of these people working at the basis with these innovative projects, was that ‘there is also something inherently wrong with this economy’. And, ‘we also need to be that critical voice<sup>8</sup>, as the then chairman of VOSEC claimed, towards the regular economy”<sup>9</sup>* Out of these transformative ambitions they continuously challenged the prevalent understandings of insertion as a programme of discipline and mere unemployment reduction. The social economy was not be reduced to the ‘garbage can’ of the regular economy<sup>10</sup>.

It can be considered a success of this movement that the many local initiatives became acknowledged and consolidated into a social economy sector. The development of this SE sector was crucially supported by the administrative-political shift towards the ‘active welfare state’. Combining the subsidized labour with various services of social added value through various policy arrangements, the ‘insertion’ became a regular policy activity. Arguably, this resonance between bottom-up social innovation initiatives with welfare state reform yielded a degree of transformative social change.

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<sup>6</sup> Other transversal themes being for example the ideological dimensions of the social innovation concept, and the construction of political voice.

<sup>7</sup> Translated from Flemish: ‘kansengroepen’

<sup>8</sup> Translated from Flemish: ‘luis in de pels’

<sup>9</sup> PB, 1

<sup>10</sup> PB, 3, see also QM, 3

Still, its anchorage into the newly emerged SE sector also meant that the insertion became subject to the associated changes in political hegemony, evolving societal discourses, ongoing administrative reforms, and the developments towards a level European economic playing field. A development that set in already quite soon, in fact with the very anchorage into governmental policy sector, was that insertion became part of a broader program of welfare state reform. The historically emerged miscellany of local insertion initiatives thus became merged and streamlined into a limited, manageable set of arrangements. Likewise, co-financing schemes were devised to avoid open-ended subsidy channels<sup>11</sup>, the ‘upflow’<sup>12</sup> motive of guiding subsidized employees towards regular jobs was gradually turned from non-committal empowerment to more closely monitored policy<sup>13</sup>, and increasing policy efforts were put into breaking down the ‘silos’ of the social economy. Subsequent ministers tried to make the SE a part of the regular economy, rather than a parallel system<sup>14</sup>. Those efforts were intensified once the Belgian schemes of subsidized labour turned out to be at odds with European competition law – the insertion arrangements would have to fit into the exception clauses for ‘services of general economical interest’<sup>15</sup>. Moreover, the understanding of insertion as market distortion also seemed to reflect shifts in political hegemony and societal discourse. Regarding the first, various actors indicate shifts towards altogether more liberal-conservative policies, underlining ‘social entrepreneurship’, ‘professionalization of the SE sector’, stronger aversions to (prolonged) subsidization of labour, and appeals to ‘individual responsibility’<sup>16</sup>. Regarding the second, a director of a recycling enterprise sketches how there’s still considerable public sympathy and solidarity with the handicapped, but decreasingly so with people with a psycho-social problematic: Regarding that group, *“...there’s much more the thought of, ‘well, it’s a bit their own fault, isn’t it, that they’re in that situation, that they haven’t been to school, or have been drinking’, or whatever...”*<sup>17</sup>.

In the end, it was also the insertion enterprises themselves that adapted to new circumstances. As subsidies declined and pressures on economic performance, acquisition and ‘upflow’ of employees increased, insertion enterprises took to measures towards more efficient production, resigned into the small margins to be gained on a tight market<sup>18</sup>, and reconsidered their very employment policies against standards of business administration and worker productivity<sup>19</sup>. In this process of ‘becoming a bit more like a regular business’, a recycling enterprise director indicates how they also came to change their stance towards their target group, the somehow ‘challenged’ people they sought to empower: *“Along the way, regarding that equivalence, we’ve really changed perspective. It used to be like, “oh, these poor buggers of that social workplace”. And well, a benevolent, charitable disposition, there’s nothing wrong with that, but now the attitude is more to position ourselves as really equivalent, and ensure that customers approach us for certain services, realizing that that’s where they’re served well, where people are friendly, the price is good, and there’s no tricks..and to ensure customers are satisfied with what we do, and only realize afterwards that we’re doing this with employees that aren’t always the evident ones to employ. And in that respect, they’re really close to a real employment. Rather than to say first, “Yes, but, we*

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<sup>11</sup> KvdB, 10

<sup>12</sup> Translated from Flemish: ‘doorstroming’

<sup>13</sup> MvH, 6

<sup>14</sup> KvdB, 2

<sup>15</sup> MvH, 10/11

<sup>16</sup> PB, 15/16

<sup>17</sup> LV, 6

<sup>18</sup> PB, 8

<sup>19</sup> LV, 12

*have some difficult employees...”, as a way to apologize for things that might not be in order...that’s something we no longer do.* <sup>20</sup>

Altogether, there is a broad spectrum of assessments of the transformative potentials of ‘insertion’. Against the account of succeeded societal transformation and of real achievements in terms of somehow more ‘social’ or ‘humane’ economic practices, there are also the accounts in which insertion is seen as a mere band-aid for structural economic system failures, as a governmental tool against unemployment<sup>21</sup>, or as an indirect subsidy to the multinationals seeking low-cost solutions for their low-skill jobs<sup>22</sup>. Meanwhile, positive and negative accounts generally also agree on the issue that the insertion has become an institutionalized form of social economy, also involving a wider dissemination of some of its principles. In that respect it is interesting to see how the recent intensification of ‘upflow’ oriented insertion, is understood by several interviewees as a ‘swing of the pendulum’<sup>23</sup> – a move away from solidarity-based transformative ideals, but not a definitive setback or an arrested and ‘captured’ transition.

## 5 Conclusion and discussion

Even if sketched only concisely, the above accounts of insertion allow for some important observations on processes of transformative social innovation. As a transversal theme within the broader field of social and solidarity economy, the transformative potentials of ‘insertion’ help to answer our research question: *Considering that the governance of transitions is not about acceleration but rather about dealing with ‘diverse transformations’ and capture dynamics, and further considering the particularities of TSI as a transitions field, how should the challenges for TSI governance be understood?*

First, it can be observed how the attempted transformation – the empowerment and social insertion of ‘challenged’ groups, and beyond that the reform of the ‘Normal Economic Circuit’ towards a more social, humane economy that offers opportunities for self-realization for all – did achieve a certain transformation. In terms of transitions theory, one could understand the process as one of local bottom-up initiatives gelling together into ‘global niches’, co-evolving favourably with the ‘endogenous renewal’ of a welfare state getting stuck in internal tensions. The aftermath of economical crisis, structural unemployment and demographical tendencies could then be considered the ‘landscape’ pressures that opened this window of opportunity.

Second, however, it is also quite clear that no full-fledged ‘regime transformation’ or transition towards a structurally more ‘social’, ‘solidarity-based’ economy has taken place. In fact, the institutionalization of the bottom-up initiatives into insertion arrangements and an SE policy sector rather constituted a certain compartment next to the Normal Economic Circuit. Moreover, the SE sector can be considered to have become a subsystem *within* that ‘regime’ structure, especially as far as it served the ‘upflow’ of the target groups into regular, non-subsidized jobs – captured by the employment policies and prevailing norms of the market.

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<sup>20</sup> LV, 8

<sup>21</sup> EL, 3+5

<sup>22</sup> PB, 8

<sup>23</sup> MvH, 15, LV, 9, PB

Third, there are several indications of 'insertion' being translated into concepts and practices different than was intended. The somewhat activist concept underwent various translations into policy arrangements, which in turn were differentiated, merged, and reorganized in different ways. The social innovation clearly became part of what could be considered innovation in governance or public sector reforms – including trends towards the active welfare state and New Public Management. Likewise, from the side of market actors there were the translations that framed the insertion as market distortion, as offer of cheap labour, as employment policy, or as example of 'social', 'socially responsible', or 'sustainable' entrepreneurship. Meanwhile, the very evolution of the SE policy sector reflects how civil society initiatives repositioned their insertion ideals into more or less formalized semi-governmental organisations or social enterprises, depending on the scale and purposes they envisioned for their activities. In the background of these translations, there are further the subtle discursive shifts in which the people to be inserted are framed as victims to be helped, challenged individuals to be empowered, passive individuals to be activated, or as statistical categories to be targeted for policy.

Fourth and finally, there is the striking common understanding of the 'pendulum movement' in SE evolution. In all instances these referred to a swing deemed unfavourable, one towards liberal-conservative policies and away from the original 'insertion' ambitions. The respondents differed in their beliefs whether this 'capture' by hegemonic economy ideology signified definitive capture or temporary setback to be restored, it needs to be said. Yet beyond these different momentary assessments, it is instructive to see how they all understood the apparent captures or setbacks within the context of a longer process.

Beyond these observations on the capture dynamics as manifesting in insertion practices, it is worthwhile considering the wider implications for transitions governance, and for the governance of transformative social innovation. Even if generalization about such dynamic processes is notoriously difficult, some tentative theorization is possible along key traits of the case. In that regard it seems, first, that the case serves as an exemplary warning against acceleration preoccupations. It brings home that 'acceleration' is a misleading mindset for governance. The 'breakthrough', 'acceleration phase' and mainstreaming of the insertion were only the beginning of a dialectical process, of which not the speed but the changing velocity and contested directions mattered to involved parties. Second, the case brings out the interesting phenomenon of insertion companies adapting to changing circumstances. They changed their very framing of working with 'challenged' people, and took to positioning themselves more as regular companies. In terms of capture, the notorious transitions dynamic in which 'regime players' are seen to corrupt transformation attempts, it is then intriguing how the insertion companies seemed to perform or co-produce their own 'capture'. Such subtle variations on 'capture' may well be challenges to TSI governance more broadly: after all, the 'insertion' is only one exemplar for socially innovative redefinitions of individuals' roles amidst state and market logics, and amidst broader discursive changes. Third, the case seems to challenge the common focus in transitions governance on the nurturing, shielding and upscaling of 'niches'. It has already been remarked that this upscaling motive may not be very well applicable to grassroots innovations and to 'niches' that only thrive on a small scale. The insertion case seems another challenging case, for the motive of 'upflow', i.e. the promotion of the subsidized target group employers towards regular jobs in the Normal Economical Circuit. Evidently, this motive proved deeply controversial, at least for the concrete distribution of responsibilities implied with its translations. What came out quite clearly however, is the understanding that complete 'upflow' is illusory, and that a significant group of people is likely to remain 'at a certain distance from the labour market'. In that respect, insertion efforts may be examples of 'eternal niches', of transformative innovations that need to remain in place, more than expand, take over or accelerate.

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