

CREATING A MODEL FOR THE IMPLEMENTATION OF SOCIAL/SOLIDARITY ECONOMY IN LOCAL ECONOMIC CONTEXT AS PART OF A PROJECT

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Abstract

The Human Exchange Human Resource Development and Consultant Foundation contributed to the social/solidarity management activities of the social cooperative registered in Gilvánfa (a village in Baranya county, Hungary) with professional consulting service. The foundation carried out the work as a consortium partner in the project “Next Step - Eliminating Segregated Life Situations in Gilvánfa” (project number EFOP-1.6.2-16-2017-00103). The consultancy activity was related to the support of social/solidarity economic activities and included complex research, planning, as well as strategy and model creation tasks. Labor market and employment counseling to promote the employment of persons with multiple disadvantages living in Gilvánfa was also part of the project activities.

During the creation of the model for the implementation of social/solidarity economy in local economic context, we summarized and synthesized the data and information obtained through the methods of preliminary literature search and collection, statistical data collection and analysis, interview preparation and analysis, and small group workshop sessions. Our conclusions were presented to the public at a conference organized jointly by the Research Center for Social Inclusion and Social Economy of the University of Pécs Faculty of Arts and the Human Exchange Foundation.

In our approach, model is a simplified representation of reality, and modeling is a process of exploring the interrelations and connections between different characteristics, phenomena and events. In the process of creating the model, we projected the results from the research back into factual data representing reality, after clarifying the object and the context of the examination. In addition to these methodological elements, we also collected and presented “best practices” from the social/solidarity economy. We have done this in order to support the development of relations and networking between the parties involved in and interested in solidarity-based local economic development initiatives. The type of model we have developed in the course of our research and consulting activities is artificial, it is both for research (research model) and educational (demonstrative tool) purposes.

Keywords: social/solidarity economy, local economy, model creation

Introduction

The aim of the social/solidarity economy is to change the existing economic and social system in a way that meets the requirements of sustainability, to emphasize mutuality and solidarity in these systems, and to use the potential of combining individual and community interests.

The term social/solidarity economy is used to refer to organizations that differ from traditional for-profit enterprises in two important ways. One of the fundamental differences is that these organizations have well-defined economic and social and environmental goals and functions that complement each other and are developed in accordance with sustainability considerations. The other distinguishing feature of these organizations is that they are based on co-operation, associations and solidarity, and are characterized by appropriate organizational and operational structures: they can be classical NGOs, such as foundations and associations, they can be cooperatives or self-help groups, mutual organizations, non-profit social enterprises or fair trade organizations, etc.

The social/solidarity economy has undoubtedly made progress internationally in recent decades. This new model of economy has left behind its former peripheral status. After the first early micro-level attempts its national and transnational networks have emerged and made it an increasingly powerful social and economic factor at the macro level. Approximately more than 10% of all businesses in Europe operate along these principles and models of solidarity (Bihari, Wagner and Zilahi, 2017).

The model of the social/solidarity economy and related local economic development is among the responses to the challenges posed by the effects of economic globalization (global environmental problems, global poverty, growing inequalities, the crisis of employment, social cohesion and democracy, etc.) in developing countries and in the developed world alike. A common element of the two models is local community economic development, which can include activities such as the production of local products and services that respond to local real consumer needs or equitable financing under local conditions (Fekete, 2011). Whichever model the local social/solidarity economy is based on, the characteristics of the alternative economy will certainly be recognizable. In addition to the aforementioned characteristics, the following emerge from the conditions and processes that provide an alternative to the formal economy: community self-organization, coordination of economic and social cooperation within a democratic framework, the establishment of self-governing and autonomous enterprises, encouraging participatory civic and social action, continuous training and learning for development, as well as the transformation of society by focusing on real welfare and environmental needs (Bihari, Wagner and Zilahi, 2017).

International models of social/solidarity economy

Many organizations and businesses around the world have realized the benefits of a shift to the social/solidarity economy model in both developed and developing countries. International research covering 32 countries (23 EU Member States plus 9 in Africa, Asia and Latin America) has created and summarized the categories and areas in which social/solidarity economy (SSE) organizations work. Although the 110 organizations surveyed do not represent all such businesses in the world, they can provide a credible picture of the overall distribution of the organizations' areas of activity (Figure 1).

Based on the research results, it is clear that the largest proportion of organizations work in agriculture and food production. A common feature of these organizations is that they make much more social and environmental decisions when designing production and sales considerations, rather than focusing solely on market needs. Several organizations are involved in the production and fair trade of

products and services that meet the real needs of consumers, the dissemination of sustainable consumption and lifestyles, or recycling issues.

The research results also showed that most of the organizations work as classic non-governmental organizations (foundations and associations) or in the form of cooperatives or other non-profit social enterprises. In terms of the objectives and activities of most organizations, the focus is on self-governance and participation, network thinking and the social and environmental dimension. Among the countries and organizations examined, it is worth selecting some particularly important and adaptable models.

It is important to note that in addition to the ones mentioned in the research, a number of best practices can now be collected from many parts of the world, which can be well adapted to domestic conditions. Some of these can help overcome the difficulties caused by scarce resources by using innovative solutions and potentially implementing sales ideas that require low start-up capital (Bihari, Wagner and Zilahi, 2017).

General characteristics of the model proposed in the project

Based on the situation analysis and diagnosis made in the earlier phase of the project, the instruments of the local economic development strategy are built on local resources, keeping in mind the need for sustainable growth and development. The local economy can be developed with human, financial or infrastructural means. Obviously, the most effective way to create a model could be to use as many tools and methods as possible, building on each other to form a consistent program.

Figure 1. Local economic development instruments



Source: Czene et al, 2010

As mentioned, within the framework of the project, a situation analysis, diagnosis and strategy for the economic development of the settlement have already been completed. In the modeling phase, our goal was to create a development model with the objectives and directions of which the inhabitants of the settlement and the actors of the local economy can identify as much as possible. We wanted to achieve this by building on the strategy developed, and at the same time retaining the strengths we had previously identified, reducing the weaknesses and seizing the opportunities. In the course of local economic development, in accordance with the defined and selected model, a number of different solutions can be applied separately or together when developments take place.

In the following, we examine the objectives, functions, tools, and methods we can use to dynamize the local economy in the framework of the proposed model. To this end, we discover – concentrating on and summarizing the most important ones – the local economic development instruments as shown in Figure 1.

Community development

During the creation of the strategy, we dedicated a separate chapter to community development (also due to its role in setting goals). A well-functioning local economy presupposes a mature, developed, responsible local community, and a strong local economy created in this way can provide many opportunities for the retention and further development of the local community. Local economic development does not necessarily differ in its resources or means from general economic development, but primarily in the methods it uses. The central elements of local economic development are local initiative, public participation and control. Therefore local community is an important participant not only in the phases of starting-up of local economic development, the formulation of needs and planning, but also, of course, takes an active role in managing and maintaining the economic development process. There are a number of techniques of involving the local community that can also be used to encourage them to participate in local economic development. In doing so, honesty and openness (which are the bases of trust) are necessary for the cooperation, and it is also essential to ensure the constant presence of the public, to properly address and inform the locals, to involve them in various actions, to set out responsibilities and provide them with the necessary competencies.

Improving the realisation and sales of local products

Product realisation and development, as well as sales activities also belong to local economic development. The primary aim of encouraging the realisation of local products is supplying the population of the settlement or the region after the exploration of real consumer needs and habits, but the interventions can also promote the continuous development of marketable products. This requires taking into account local conditions and traditions, exploring local values and skills, preparing a cadastre and inventory of local property. It may also be necessary to develop and protect local values and potentials, and to identify local key sectors in relation to these. In the development of local products, it is of paramount importance to promote stakeholder partnerships based on value chains, which facilitates promotion and sales, as well as processing, warehousing and transportation activities (Czene és mtsai, 2010).

Creating supplier and buyer networks

Supplier and buyer networks and the promotion of related collaborations can also be key factors in the development processes of the local economy. Additional measures to support the sale of local products can be market access and sales interventions. These range from the development of local markets, market infrastructure and market services to the development of buyer circles and building the brand of local products, but also the launching of a showroom of local products (locally or in nearby cities, possibly on the Internet). These may also include the extensive use of marketing tools, the organization of local product fairs, the promotion and sale of local products at local and regional festivals, fairs and demonstration farms. The advantage of the latter is that, in addition to encouraging the purchase of local products, it contributes to the preservation of local values, farming traditions, the strengthening of patriotism and identity, and in extreme cases it can also improve the potential of tourism. In rural, deprived, underdeveloped areas, such as the area targeted by the project (namely Ormánság, a region in Hungary), the gradual shift from self-sufficiency and primary production to higher levels of the value chain, the development of an agricultural economy diversified by region can promote the production of quality, marketable local products and the development of local brands. In order to minimize transport costs and the environmental burden of transport, the supply of the local market should be encouraged.

Improvement of local businesses

There are many instruments and methods that can be used to encourage local business willingness and activity. These include the settlement planning of areas suitable for economic activities and the designation of these areas in accordance with the needs and methods of settlement development. Other instruments are the establishment of industrial parks and investment districts, the development of the related business infrastructure environment (office, site, communication infrastructure), and also setting up an incubator house to support start-ups. Another important activity is the continuous education and further training of local businessmen, during which entrepreneurial knowledge is transferred, as well as various management competencies that meet the requirements of sustainability. In many cases, there is a need to promote entrepreneurship as a tool for active employment policies locally, and to support the long-term unemployed to become self-employed within an individual and social entrepreneurial framework. Related consultancy activities, including tender assistance, are of paramount importance through which a complex intervention can take place for each development process. Of course, in the case of underdeveloped settlements and regions, including Gilvánfa, the initial opportunities are significantly limited due to the low ability of the settlement or region to attract capital. The exploration of the situation also highlighted the fact that the lack of infrastructure, the lack of services and the skilled workforce not only cause a low willingness to entrepreneurship, but also hinder the influx of well-functioning companies and enterprises into the settlement and the region. However, the start-up and development of local businesses can be facilitated by appropriate, "customized" local investment promotion activities. This includes creating a favorable business environment (tax exemptions, buildings, assets, start-up capital, consultancy) and awareness-raising activities on the importance of local

investment. As an integral part of local economy development, it is necessary to define certain conditions for “outside” investments (such as adapting the activities to local conditions, employment of local people, cooperation with local suppliers, ploughing back a portion of the profit to support the development of the settlement or the region, etc.).

Applying financial incentives to the local economy

Financial incentives should be provided to carry out and sustain local economic activities in the longer term. However, it is extremely important to keep in mind that these opportunities must be available at all times for a certain period of time (until the activities become profitable), ie in many cases for years. It is also important that these instruments should not be available on a universal basis, but only if certain conditions are met and they must be gradually reduced as local businesses become stronger. This will prevent or reduce the chances of dependence on this support and help meet long-term financial sustainability expectations. In connection with this requirement, the following measures can be included: establishing a community loan fund, setting up a local investment fund, providing business tax incentives for start-ups in compliance with EU competition law, introducing local complementary currencies and operating barter schemes, founding a community bank and implementing different forms of microfinance. Unfortunately, the available financial resources and conditions of the Gilvánfa local government provide a limited opportunity for the implementation of financial incentives, local complementary currencies and barter systems can still be a viable starting point for enhancing local economy.

Local economic cooperation

In Hungary, it is important to examine why it is worthwhile for the businesses of a settlement or region to choose different possible forms of cooperation instead of competition. Thus, among economic development interventions, the promotion of local economic cooperation is a priority. Local businesses can benefit from a variety of cooperations: by uniting their resources and capacities, they can be more competitive, ie they can more easily move towards external markets. On the other hand, by using their existing capacities together, they can also carry out activities (such as marketing or warehousing) that they would not be able to do on their own. The biggest benefit of cooperation is an important resource: building mutual trust. Cooperation with each other also helps to create and maintain the right market behavior. All of these can lead to “win-win” situations in which all participants can get benefits that they would not be able to provide for themselves. The territorial aspects of economic cooperation are particularly important, as the geographical proximity of economic shareholders leads to many opportunities. Indeed, the cooperation of many small and medium-sized businesses in small and medium-sized settlements can be a significant force that can counterbalance large cities and thus contribute to a more balanced urban-rural relationship. There are various forms of area-based economic co-operation, such as the so-called new types of cooperatives: production and sales cooperatives or purchasing and sales cooperatives. In the course of encouraging co-operation, it can be an additional advantage if the public, private and civil spheres jointly take part in the implementation of certain economic activities, processes and innovations.

Local economic activities of the local government

The role of the local government(s) is self-evident in local economic development. This can be manifested in the establishment of municipal businesses as well as in the implementation of municipal investments. The economic opportunities of local governments have become more limited due to the new Local Government Act, which entered into force in 2011, and the longer-term effects of the global economic crisis in 2008, so that these instruments have lost some of their significance compared to the past. However, in order to compensate for the lack of private investment due to the crisis, it has become urgently necessary to implement local-scale investments and developments in most regions, which may have been initiated by the local government in the most disadvantaged regions recently.

Social/solidarity economy

A special segment of the local economy is the social/solidarity economy, which offers an alternative to the formal economy. In addition to substantive, non-formal economic and management activities, this includes all social activities related to social solidarity, which are organized in a non-profit-making manner within a civilian framework and create real production, consumption, sales, distribution and employment opportunities for social entities. In order to compensate for the declining state involvement in certain areas due to the lack of resources, the contributors of the social/solidarity economy also offer alternative solutions based on community self-organization and cooperation in order to meet the needs of the local society. Contributors of the social/solidarity economy consider social benefits to be just as important as making a profit in financial terms, they are more efficient in useful investments in intangible capital goods and in the production of social and cultural capital than public or purely market actors. The businesses in the social/solidarity economy pursue and use business profits to serve specific social purposes. In this welfare-based system of interests, the economy and management are the instruments of achieving and maintaining social profitability. That is, the goal is to achieve and maintain social profitability, and the economy can only be a means to that end, this relation cannot be reversed. Social/solidarity economy also provides alternative employment and livelihoods for vulnerable groups of society, for the ones at risk of exclusion. These activities mostly require the active participation of the contributors; voluntary work, and often mutual assistance. In addition to social enterprises that employ disadvantaged workers, this includes community enterprises that emphasize community cohesion and goals, as well as initiatives that improve the position of the self-employed by bringing the surplus of households beyond self-sufficiency to the market. The success of such initiatives cannot be measured solely in terms of economic performance, as they play a very important role in social integration and value creation, value transmission and preservation (self-help, individual responsibility, democracy, equality, justice, solidarity). Social economy is built on meeting local needs and has a strong emphasis on alternative employment goals. Areas of the social economy (and at the same time alternative or community employment) may include providing employment opportunities through social (community) land programs, employment needs and opportunities in social and cultural services, landscape management, the processing of agricultural and forestry products, as well as job opportunities related to the development of handicrafts and tourism. Interventions linking social care and

community employment (local employment in domestic help, childcare or childcare), as well as the promotion of activities that can be covered by community service work also belong to social / solidarity economy.

Shaping public and business attitudes

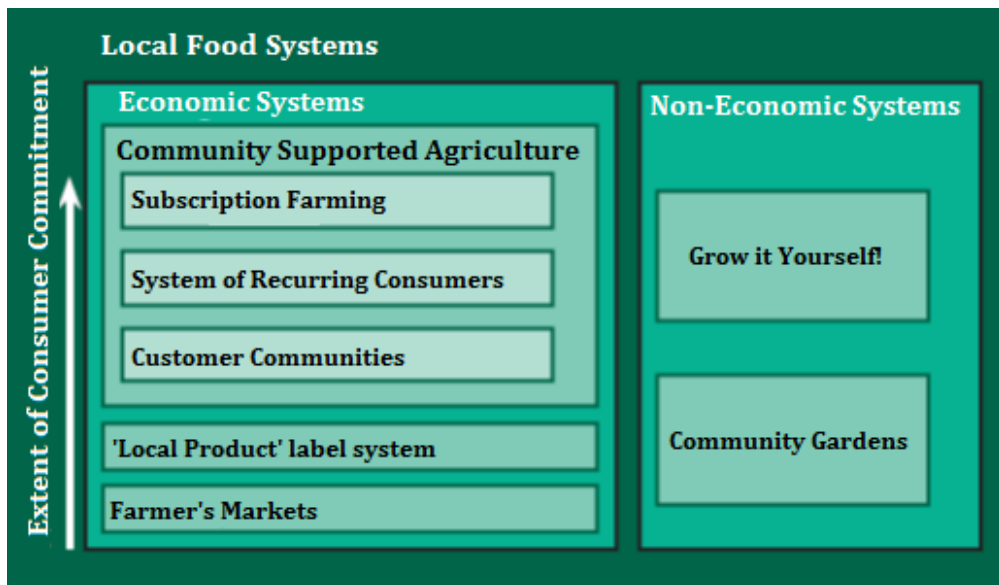
Attitude shaping is an essential area of activity for local economic development. Without the commitment, enthusiasm, conscious behavior and active participation of local entities, the local economy cannot be revitalized, strengthened and flourished in a long-term sustainable way. Therefore, great emphasis should be placed on activities aimed at developing conscious consumption and shopping habits. This will create a market for local products. It is equally essential to strengthen local identities (especially among young people) and, as a general rule, to prioritize local resources, products, services and knowledge. A good example is when, in order to promote local interests, the municipality, in compliance with the procurement and public procurement rules, of course, favors a local contractor providing local products for its own investments. In connection with this, it prefers the use of local labor, or involves local contributors in the creation of the economic development concept, and takes special account of local conditions and circumstances, based on realities. Of course, the same can be expected from the businesses, as they can also contribute to the improvement of the situation of their own settlement and region with their patriotism. The issue of shaping attitudes also includes the promotion of entrepreneurial spirit and entrepreneurial willingness, as “self-employment” can be a solution to continuous downsizing and it can contribute to the reduction of unemployment, even if people may feel they are forced to do that in lack of a better option. Creating entrepreneurial communities organized on a local and regional basis requires not only knowledge and infrastructure, but also the right approach. It is a matter of having the right attitude (in addition to having thorough expertise) if the work done fairly is sufficiently respected in the society of the area. Community development is also essential, which, although it takes a lot of time, can provide strong community motivation, cooperation skills and conflict management skills. The practical experience gained during the planning of community participation also contributes to the development of an excellent team spirit, the development and strengthening of temperance and solidarity.

Innovative agriculture

Community supported agriculture is an increasingly popular model of agricultural production. It is an innovative approach in which the products and crops are produced and marketed in a harmonious context between the consumer, the farmer and the natural environment. Community-based agriculture is a specific approach and method of local food production and especially local sales. In community supported agriculture, farmers and consumers commit themselves to each other in a way that benefits all participants. The commitment benefits the farmer, as it allows him to build a direct and long-term relationship with consumers and this way he can focus on the production of high-quality agricultural goods, ie he does not have to spend time looking for sales channels. However, it is also beneficial for the consumer, as he knows exactly where the semi-processed or finished product (the raw material for the food he consumes) comes from. The consumer, also known as the end user, gets exact information about the source of the product and the

conditions under which it was made. The basic idea of the method is to establish a direct relationship between the farmer and the consumer and to rely on the trust arising from the personal relationship. Ideally, in community supported farming systems, the risk of production is shared between the farmer and the consumer. In this relation, contrary to the traditional conception of economics, the parties – the seller and the buyer – are not opposites, but rather allies. There are several forms of community supported agriculture that differ fundamentally in terms of consumer engagement (Réthy-Dezsény, 2013).

Figure 2. Models of Local Food Systems



Source: Réthy-Dezsény, 2013

Subscription farming

Subscription farming is the closest form of commitment between the producer and the consumer, in which the consumer gets a part of the annual yield for which the consumer pays in advance. In this system, the farmer prepares an estimation of the expected costs and the expected yield and also calculates a fair income. The costs are shared between the customers or members associated with the farm, for which they regularly receive their share of the crop. There is no way to take individual needs into account in this case, members always get their share of the current crop. The contract is based on a preliminary joint risk-taking: any losses are borne jointly by the members. In Hungary, instead of the term subscription farming, the name vegetable community or community garden is often used. At present, there are about half a dozen subscription farms in Hungary. In the case of domestic examples, all the goods produced are distributed within the community, and farmers do not need another sales channel.

System of recurring consumers or vegetable box scheme

This type of community supported farming system is also based on farmers and buyers forming a permanent alliance. Unlike subscription farming, however, this system is not characterized by prepayment and long-term commitment, the relationship is looser. The producer and the consumers agree in advance on the price of a unit package containing several types of goods (vegetables, fruit, meat, dairy honey, eggs, etc.) and how often (usually weekly) purchases are made. It is not a mandatory element of the system, but it is important for the farmer that consumers should preferably be recurring customers. This allows the farmer to know the size of his customer base relatively accurately and to organize production accordingly. At the same time, consumers can shape the routine of their food purchasing habits according to the box system. There are more and more customer communities in Hungary operating on this principle, most of which are so-called (bio) vegetable box systems, but there are also constructions based on cheese or meat products. It is important to note that products ordered through online stores or other intermediaries cannot be considered part of community-supported agriculture without knowing the identity of the farmer.

Customer communities

The basis of customer communities is that several local producers and a non-governmental organization or a smaller community of consumers organize a transport and distribution system (door-to-door delivery or pick-up at a permanent point of sale, possibly mobile sales) of goods typically produced on a small, local or regional basis. Customer communities vary greatly depending on how they operate and what product they deal with. Members of the customer community can usually place their current orders (by phone, fax, email) at regular intervals, and delivery and receipt are tied to a specific time or location. These systems are quite flexible, with customers often choosing what and when to purchase. From the customer's point of view, an additional advantage is that the range of goods (fresh and preserved products) can be relatively wide, as the system usually includes products from several farmers. On the producer's side, on the other hand, the customer community brings about a source of uncertainty due to its flexibility: the farmer cannot be sure whether he will be able to sell his products completely within the community. Even if the personal relationship between the consumer and the producer is not necessarily guaranteed, solidarity is typically an important component here as well. The customer communities in Hungary are typically non-profit organizations working on a civilian basis (Réthy-Dezsény, 2013).

As shown above, a common feature of any model of CSA (Community Supported Agriculture) is that it does not distribute food through the market, but in its own transparent economic cycle, organized and funded by the participants. Another typical form of sales for community supported agriculture is the primary producer market. Primary producer markets can be organized by municipalities or also operated privately, seasonally or year-round. They favour short supply chains by establishing a direct link between producers and consumers based on a personal relationship. As illustrated in the examples above, several activities can support the markets: workshops, product presentations and food tasting sessions can be organized in conjunction with the markets.

Reduction of food waste and other wastes, reuse and recycling issues

The Food and Agriculture Organization of the United Nations estimates that one-third of the world's food produced for human consumption is lost or wasted, approximately 1.3 billion tonnes a year. For the time being, this figure is unfortunately increasing year by year until further preventive measures are taken and introduced globally. Food production has negative effects on the environment, regardless of whether the food produced is consumed or becomes waste. As a result of food becoming waste, we lose not only vital nutrients, but also valuable resources used in the production, processing and distribution of food, such as cropland, water and energy. In addition to the ecological consequences, there are also economic losses along the food chain: at the level of households (ie at the end of the chain), the environmental and economic costs of one tonne of food waste are much higher than those of one tonne of food waste generated during processing (Priefer-Jörissen-Brautigam, 2013). The agricultural sector is definitely aware of solutions that reduce the harmful effects of global food systems, along which it is necessary to implement environmentally sustainable and socially just models of production, distribution and waste management. In many cases, it has been shown that sustainable and ethical production and sales can be successful and involve the preference for natural production models that can change the prevailing forms of production and sales. These organizations build new economic relationships based on trust and direct exchange, thus promoting a conscious civic engagement in environmental protection and proactive participation in local development. All this enriches social capital and accelerates social innovation processes.

Reducing, reusing and recycling waste helps to reduce the amount of discarded waste, thus conserving natural resources, increasing landfill capacity and energy, and saving a significant amount of money. A recyclable product can be converted back into raw material that can then be used to make another product. The collection, recycling and sale of goods from municipal waste can also be a source of revenue for local communities, achieving social, economic and environmental goals (Bihari, Wagner and Zilahi, 2017).

Alternative sales strategies, such as the exclusion of intermediaries from the food supply through direct sales systems, can make a significant contribution to preventing food waste. This can be done, for example, through the aforementioned primary producer markets, new types of cooperatives, solidarity-based customer groups and community supported agriculture. All of this will create a closer link between producers and consumers, shorten transport distances and make consumers aware of the fragile conditions of food production and its natural and seasonal limitations (Priefer-Jörissen-Brautigam, 2013).

Making surplus food available free of charge under appropriate conditions is also a proper solution for reducing food waste and using it for human consumption. Consumer support networks not only provide the infrastructure for food distribution, but also inform consumers about the proper handling of food (Priefer-Jörissen-Brautigam, 2013).

The best way to reduce waste is to avoid waste. It takes a lot of raw materials and energy to make a new product. The most effective way to manage natural resources, protect the environment and take a cost-effective approach is to reduce waste by producing only products that meet real, environmentally conscious consumer needs, and by proper distribution and reuse. Revenue also comes from resale and recycling, as discussed earlier. SSE belongs to the green recycling sector,

but also undertakes social objectives by meeting basic community needs and financing community-led projects (Bihari, Wagner and Zilahi, 2017).

Energy sustainability

In the case of a solidarity-based, social economy, the implementation of initiatives that are truly environmentally, socially and economically sustainable is of primary importance. Organizations working in this field avoid chemicals, genetically modified organisms, pay attention to economies of scale, and instead of maximizing profits, their goal is to meet people's food needs, with maximum consideration for the environment. These initiatives organize their work independently and their activities are adapted to the abilities and capabilities of the participants. The essence of sustainability is to benefit from win-win opportunities, to find and apply tools and solutions that have a good impact on the society and the environment, and that will allow us to live in harmony with our environment for decades to come. A good example is Enercoop, a collective interest cooperative society (SCIC) founded in France in 2005. The activities of the organization cover the whole territory of France. Enercoop is the only cooperative in the country to provide 100% renewable electricity, organizing its work in direct contact with producers. Like many other alternative energy providers, Enercoop works with local partners to build production sites and implement production phases, while also supporting local employment. It also raises citizens' environmental awareness through hosting conferences and community events. The company has a significant environmental impact in the region by offering non-polluting energy from collaborative production through energy cycle taking place in a short time (Bihari, Wagner and Zilahi, 2017).

Hungary's natural resources are sufficient to use biomass, to benefit from geothermal and solar energy, and the use of wind and hydropower can also contribute to the development of an alternative, energy-efficient and environmentally friendly system. Biomass is the largest domestic energy base with the greatest potential to develop, despite the fact that targeted energy crop production is not significant yet, but by developing this, biomass stocks can be increased. Perhaps there is an even greater potential for the energy recovery of biomass by-products and agricultural waste, such as biogas production. Conditions are also favorable for the cultivation of not for feed maize as a feedstock for bioethanol (Czene et al, 2012).

Self-managing communities

In recent years, there has been a massive privatization and outsourcing of public services in Europe, also due to austerity measures. On the one hand, this has led to widespread dissatisfaction in some countries due to fears of a decline in the quality of services and a deterioration in the situation of employees and recipients of services. On the other hand, it has created an opportunity for mutual organizations, cooperatives and social enterprises to provide an alternative to traditional for-profit private enterprises. There are many examples of community ownership across Europe, and in many places they focus on communities in their work by making the expectations of democracy and people-centered more prevalent in the leadership of the organization. Self-management of businesses can be cost-effective for both workers and consumers and it is productive for both economic and social purposes. Democratic community ownership and self-employment are the central values of

the social/solidarity economy, the basis of social cooperatives. Through the use of these self-managing solutions employees are able to participate in decisions about their working conditions and get a larger share of the profits generated by the business. Agricultural production in urban settings can be a good example of how self-management helps self-organization, and these new initiatives also have a major role in promoting social inclusion. The principles related to the operation of cooperatives clearly contain the most important elements of self-management, as social cooperatives define their mission, goals and principles of self-management in their basic documents, so that all their activities are transparent and financially accountable to their members. They are independent and focus on improving the situation of individuals, groups or society as a whole.

Ethical finance

Typical areas of operation of the social/solidarity economy include debt management, trade for mutual benefit, ethical financing and money management (Czene et al., 2012). The need for local communities to develop ethical economic and business opportunities is growing as government spending cuts and austerity policies in the social and welfare fields affect the most vulnerable.

The most important function of ethical finance is to provide financial support and financial services to solidarity-based investment organizations and disadvantaged communities to ensure their livelihoods and to improve their standard of living. Many organizations support a fair, collaborative approach to finance and strive for a sustainable investment strategy that benefits all entities. As part of this strategy, long-term loans and support are provided by ethical financial systems to the claimants instead of temporary solutions, ensuring that the borrowers' loans are used to achieve goals that help them develop and maintain sustainable business activities.

An ethical bank exists not only for its own merits, but is brought to life by the unworthiness of the market. The goal of an ethical bank is to demonstrate that the market requires economy and finance to rediscover ethical, socially sensitive solutions, not only in words but also in deeds. Behind these principles and goals there is a special and sophisticated economic theory: civil economics, which sees the economy as a tool that serves the well-being, development and public good of each individual and society (Smohay, 2010).

Working networking: districts and clusters

There are a number of organized networks in the social/solidarity economy, described as “clusters of the solidarity economy” or “districts of the solidarity economy”: networks of associations, producers and consumers who exchange goods and services in the spirit of solidarity. These types range from informal networks to umbrella organizations. They are active in several sectors, but all have the common goal of establishing closer links, partnerships and cooperation between local organizations, groups and authorities in order to promote innovative forms of sustainable local development. These networks and their organizations may exist in different legal forms, but there are certain characteristics that are specific to each of them. For example, they strongly support innovative forms of production and consumption and their ability to provide products and services that meet the needs of dynamic and innovative micro- and small businesses. According to some

interpretations, the social/solidarity economy builds clusters around the formal market. During the clustering, the organizations implement the following activities and policies in order for the economy to comply with the rules of fairness and social responsibility. On the one hand, the stakeholders belonging to the districts are asked to act fairly, with due respect for others, which should apply to both customers and employees. Businesses are also encouraged to apply fair distribution principles when redistributing profits. Clusters also contribute to networking, sharing experiences and testing and supporting local initiatives. Finally, these initiatives work to meet basic human needs and promote human rights.

There are informal networks that connect different initiatives, mainly in agriculture, to create a self-sustaining cycle of production and distribution. These are sustainable networks that form a basic food supply chain based on ethics and solidarity. Their common vision is local economic development based on food self-sufficiency.

Ensuring gender equality

One of the core values of the SSE is to ensure gender equality and the empowerment of women in terms of income and career support. The SSE can contribute to sustainable development by offering innovative forms of production, consumption, exchange and financing, and can become an alternative to the current formal economy. However, this initiative can only be truly transformative if it also includes the reorganization of social reproduction, integrating the goals leading to gender equality. Due to their democratic structures, most SSE organizations and cooperatives recognize the importance of gender equality: thus, women are key participants in discussions and have an equal role with man in decision-making. These elements are reflected in some examples of international research in Bolivia, Tunisia and Malaysia. In these examples, decision-making processes are participatory, resulting in solutions that put women in a good position, due to the continuous development of skills and a fairer income resulting from women's participation (Bihari, Wagner and Zilahi, 2017).

Heritage protection and preservation of cultures

In the SSE, sustainable and responsible tourism is in line with the principles of social and economic justice and fully respects both environmental and cultural values and expectations. In addition, it recognizes the central role of the local host community and its right to be a key participant in the development of sustainable and responsible tourism. Responsible tourism encourages positive interactions between the tourism industry, local communities and travelers. This type of tourism development requires the conscious active participation of all contributors and strong leadership to ensure broad participation and consensus building. Demand for this type of tourism is growing worldwide, with a developing network of sustainable and responsible tourism in which tourists are directly connected to their hosts.

Another interesting opportunity provided by the SSE is to strengthen the crafts and traditions of different communities by preserving and developing local craft traditions. Orientation of local demand stimulated by tourism is also possible in an effort to learn about and preserve local traditions (Bihari, Wagner, & Zilahi, 2017). Heritage protection can also be manifested in other ways during the development of the local economy, as the production of local goods, traditional

products and the creation of a local brand also contribute to attain these purposes, but are not necessarily linked to tourism. Goods produced in this way can be present in local markets, local product fairs, or even sold online through webshops.

Summary - Challenges for the near future

Thus, local communities can launch a number of initiatives in the framework of developing the local economy. They can broaden their existing activities with new ones and create different economic development models that are best suited to them, benefiting from the opportunities and advantages that arise. The solutions presented above can be turned into best practices and organized into well-outlined models. The use of any of these models can be a tool for the development of the local economy, taking into account social, societal and environmental aspects.

The international research mentioned above was aimed, among other things, at taking joint action to reinforce the SSE experience involved in the research process or, more generally, to promote alternative regional development patterns different from the prevailing system. Based on the research experience and best practices in Hungary, some elements of the development and future challenges were outlined, which are worth summarizing and taking into account in the near future developments. After all, this can be the key to the prosperity, efficiency or even the survival of social/solidarity economy organizations in the near and distant future.

A number of support interventions may be needed by governments in the form of economic directives and other measures to strengthen and promote the development of the social/solidarity economy. This includes all measures aimed at the human resource development of local solidarity enterprises and social cooperatives, existing and to be established in the future. This can be done by developing forms of training that respond flexibly to the needs of the people, institutions and economic entities in a given area. The aim is to transfer knowledge, develop skills and competencies that improve the management and professional quality of the business.

Most of the experience analyzed suggests the importance of networking, connecting companies in different fields, and exchanging information on work and methods used. Not only communication is needed, but also the repeated and regular sharing of experiences, thus improving and enhancing the activities of all actors.

Prolonged crises may increase the number of areas where the difficulties of disadvantaged communities can only be solved through coordinated action by social cooperatives, solidarity-based economic activities, informal groups and civil society organizations. More specifically, the experiences analyzed reinforce non-occasional core activities that support local communities that are able to assert their own interests in a self-organizing way. Countries need to realize that applying these solutions in a complex way may be the only way to avoid global crisis.

The delay in resolving environmental problems also confirms the need to support and implement these activities. It is important that the sustainable solutions proposed by the social/solidarity economy should spread as quickly as possible, ensuring the synthesis of social integration and at the same time a sustainable economy and environment (Bihari, Wagner and Zilahi, 2017).

During the implementation of the social/solidarity economy and the development of the local economy, it is important to be aware that the development "patterns" can be derived primarily from previous own experiences, such as the substantive economy (which also includes traditional solutions). These patterns can

be the result of testing and solutions that become viable during practice. The emerging 'model' is well-founded if we share the 'best practices' in all areas and show that they can be applied everywhere, in whole or in part, or when we test rules and measures that have already proved useful elsewhere.

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A SZOCIÁLIS / SZOLIDÁRIS GAZDASÁG HELYI GAZDASÁG RÉSZEKÉNT VALÓ MŰKÖDÉSÉRE IRÁNYULÓ MODELL MEGALKOTÁSA EGY PÁLYÁZATI PROJEKT KERETEI KÖZÖTT

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A „Következő lépés - Szegregált élethelyzetek felszámolása Gilvánfán” című, EFOP-1.6.2-16-2017-00103 azonosítószámú pályázati projekt keretei között a Gilvánfán bejegyzett szociális szövetkezet szociális/szolidáris gazdálkodási tevékenységeinek támogatása érdekében a Human Exchange Emberi Erőforrás Fejlesztő és Tanácsadó Alapítvány, mint konzorciumi partner szakmai tanácsadói tevékenységet látott el. A szociális/szolidáris gazdálkodási tevékenységek támogatásához kapcsolódó tanácsadói tevékenység keretei között komplex kutatási, tervezési és stratégia-, illetve modellalkotási feladatok megvalósítására vonatkozó, valamint a halmozottan hátrányos helyzetű, Gilvánfán élő célcsoport

foglalkoztatásának munkaerő-piaci, foglalkoztatási tanácsadás keretében történő ösztönzésére irányuló teljesítések egyaránt szerepeltek.

A tanácsadói tevékenység helyi gazdaság részét képező szociális/szolidáris gazdaság fejlesztésére irányuló modell megalkotására irányuló fázisban az előzetes szakirodalmi forráskutatás és forrásgyűjtés-, statisztikai adatgyűjtés-és elemzés, interjúkészítés-és elemzés, valamint kiscsoportos műhelymunka módszereinek alkalmazásával megszerzett adatok és információk összegzése, szintetizálása történt meg. Összegző jellegű javaslatainkat a Pécsi Tudományegyetem Bölcsészettudományi Kar Társadalmi Felzárkózás és Szociális Gazdaság Kutatóközpontja és a Human Exchange Alapítvány által közösen szervezett szakmai konferencián tártuk az érdeklődő nyilvánosság elé.

Megközelítésünkben a modell a valóság leegyszerűsített mása, a modellalkotás pedig különböző jellegzetességek, jelenségek, történések és események között való összefüggések, kapcsolatok feltárására irányuló folyamat. A modell megalkotásának folyamatában a kutatásból származó eredményeket visszavetítettük a valóságot reprezentáló tényadatokra annak tisztázását követően, hogy mit, minek a függvényében kívánunk vizsgálni. Modellalkotásunkhoz a szociális/szolidáris gazdaságból vett működő, ún. „legjobb” példák összegyűjtésével és bemutatásával járultunk hozzá az említett alkalmazott módszertani elemek mellett annak érdekében, hogy elősegítsük a szolidaritáson alapuló helyi gazdaságfejlesztési kezdeményezésekben résztvevők és az azok iránt érdeklődők közti kapcsolatépítést és hálózatfejlesztést. A kutatási és tanácsadói tevékenység során megalkotott modellünk fajtája mesterséges, egyszerre kutatási jellegű (vizsgálati modell), egyben pedig oktatási (szemléltető eszköz) célzatú is.

Kulcsszavak: szociális/szolidáris gazdaság, helyi gazdaság, modell-alkotás