

Social economy is not a sector

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Abstract: The article aims to initiate a discussion about thinking of social economy as an integral part of social market economy, not as a 'social economy sector'. Basing on an entry in Polish constitution – about social market economy as a foundation of economic system in Poland, a short analysis of key rules essential for implementing social market economy is conducted: freedom of economic activity, private ownership, solidarity, dialogue and cooperation of the social partners in the area of social economy. There is an argument put forth that economy can be both market and social. Making economy more social has positive effects on its efficiency and competitiveness. There are points supporting this argument listed. At the end the author underlines that although there are positive changes visible in the documents determining the way social economy in Poland is built – like National Program for Development of Social Economy – there is still sector thinking to be noticed in those documents. Changing this way of thinking is a challenge for future.

Key words: social market economy, economic freedom, private ownership, solidarity, equity, social dialogue, local partnership, sustainable local development.

Introduction

In Polish literature we are dealing with two separate trends discussing the issue social economy: mainstream, which is represented by authors in charge of social market economy (GSC) and mainstream, which representatives are authors writing about social economy (ES).

This begs the question, whether or not these trends are due to distinct differences between themes, which they touch upon, or rather the result of these two issues diverse environments. It seems that rather the second factor is involved - social market economy is of interest primarily to economists, social economy has become an increasingly popular topic among social activists, representatives of social sciences and, to a limited extent, also the representatives of economics.

There is no discrepancy in question, however clarifying their relationship is necessary. The author states that social economy is a social party to the social market economy. Nevertheless, the aforementioned approach requires a reassessment of the sectoral understanding of social economy, which corresponds more with the neoliberal approach to the economy as a response to market failures. This sectoral approach is disclosed in software documents which will shape the development of social entrepreneurship in Poland in the coming years. For this reason, the understanding of social economy as a sector should be given a second thought and we should start to consider the issue of social economy in a wider context, provided by the socio-economic system as well as a well-balanced local development.

1. Social Economy and social market economy

Most of the social economy definitions, which can be found in the literature on the subject, might be can be grouped in accordance with the classification proposed by J. Defourny and P. Develtere in their institutional and legal and regulatory approach. Despite the considerable differences between the various ways of defining social economy 3, treating it as a sector is what connects the definitions and will be an essential characteristic in the attempt to compare social economy with social market economy. In the literature on the topic social economy is treated as a sector, although the authors may argue on what exactly comprises it.

Social market economy has been entered in a Polish Constitution as a foundation for socio-economic regime of our country. In the Article 20 of the Constitution it is stated that "social market economy based on private property and freedom of establishment, solidarity, dialog and cooperation between the social partners is the basis for economic regime of the Republic of Poland" 4. The SME, in the literature on the topic, is listed as one of the four regime models of the contemporary market economy 5. Despite it being the dominant model of economic and legal regime in Europe as well as the basis for the emergence of the Polish economic system, the case for both SME as well as SE is that there is no unanimity in both the definition and forms of its implementation (Molski, 2011, s. (8)]. The roots of

the SME can be found in the doctrine of ordoliberalism, which evolved in 1930s in Germany. SME is a combination of the free market approach and the achievement of social objectives (Maczynska, 2008, p. (9)). Maczynska stresses that, SME is not about adjusting the economic efficiency and correcting the market mechanisms in context socio-political context. It is about, taking into account the whole cost, including social, ethical, environmental and others, (Ibid, s. (9).), while applying the market principles. "In SME a typical combination of market and social objectives is expressed through putting the market mechanisms into motion while attempting to solve the social problems. To follow the principle of subsidiarity (i.e. aiding for self-help) allows for, in contrast to the direct social subsidizing, long-term effects, while the individuals requiring social assistance become able to resolve problems on their own." 7 (Ibid, s. (9)).

The followers of the SME think that so far it has not been possible to create such system in Poland. This is a challenge for several generations, and the design must take into account the current external and internal conditions (Wawro, 2012, introduction).

It is clear that both concepts social economy and social market economy do not overlap. The first refers to the whole economy, and the latter to a certain sector of economy and social assistance. It is possible though that the concepts might be complementary. In the case of the SME there is no definitive interpretation of what the social aspect is concerned with. It might be the SE that provides at least a partial answer to this question. Nonetheless, also here, we encounter an abrogation in the reference to redistributable social policy toward the activation of social policy.

However, another approach is also possible. SE is one of the sectors of economy, in which the social aspect is being acted upon, while the rest of the economy is marketed. It seems as if this approach was equally related to both the liberal economists as well as the authors treating about social economy. Both producers and users seem to treat SE as a way to mitigate the negative effects of market economy and social tensions, and recently, also the

effects of the crisis. In such an approach SE, in its activity, is closer to social assistance than to economy.

Another approach to the issue is suggested by B. and T. Sadowsky 8. They argue that the concept of SME fully encompasses the development of social entrepreneurship. Just like the followers of the SME, they also stress, that the attempt to build such system in Poland is yet to be successful, but they are also more concerned with the social aspect of the idea.

"A concept of social market economy conceived in such way was never physically implemented in the last 20 years of the transformations observed in Poland". It turned out that solutions adopted after 1989 in Poland shaped the market generating growing social disparities and leading to significant social groups being marginalized. The concept of the free market was not itself able to reverse negative trends and threats seen today, not only in Poland, but also in the world. These include, increasing in recent years: unemployment, migration, widening income and wealth disparities, a substantial part of those living in poverty fall below officially specified social minimum, addiction problems, apathy, inaction. Social and political attitudes are being radicalized leading to nationalistic or integrative tendencies while dissatisfaction and aggression are growing. Solving these problems requires systemic and strategic thinking, focused upon the regional development programs, in shaping the socio-economic governance in economic policy with other policies, such as social policy, culture, education, agriculture, ecology, budgetary policy, etc. This requires a long-term strategy: synthesizing the market with the resolution of social problems " (Sadowski, 2013).

Let us look at how the fusion of the two is possible by analyzing the principles on which the SME is based in Poland, in accordance with the constitutional provision.

Economic freedom is constitution-protected. It speaks to the possibility of any "unhindered access to and subsequent conduct of any economic activity, which does not affect the freedom rights of other people and is not identical to lawlessness (Opala & Rzońca, 2008, p. 5). In the Constitution the Article 22 sets out that restriction on freedom is permissible only by law and only considering important public interest grounds. Areas of control exercised by

the State are indicated in Article 31 - the security of the state, public policy, environment, health, public morality and the freedom and rights of others.

In order to provide a wide range of economic freedom, the state must, on the one hand, build the institutional framework necessary for its protection, and, on the other hand, not limit it itself (Ibid, p. 5). Institutions protecting economic freedom are divided into informal (unwritten standards, norms, habits) and formal (the law, justice, public administration) within the remit of the government. Formal institutions should protect private property and provide reliability of contracts. The state itself cannot unduly interfere with the economy. The crucial things are in this case: the extent of the adjustment, the size of the public sector and the scale of taxation economy (Ibid, s. 10- (11)).

From the mid 80s. of the XXth century the indexes of economic freedom began to develop⁹. According to it, Poland in 2013 reached the 57 place among 177 countries in the world, which qualifies it to the category of 'moderately free' (in 2008, Poland was 83 and was in the category of "in principle, without freedom")¹⁰. This means, that our country protects its economic freedom more effectively and in principle limits it less, nevertheless there is still much to be done¹¹.

Economic freedom is a derivative of human freedom. Therefore, by analogy, we can say that economic freedom, understood as formulated above, is freedom "from" unfair behavior of other economic entities and "from" state interventionism (negative freedom). Can we speak about positive freedom with respect to the economic entities?

If so, it would have been an area independent from regulations, linked to the concept moral responsibility (as opposed to legal) and the freedom of choice. An entrepreneur, in this case may, but need not, make decisions based on e.g. good workers or local community goods, and not in order only maximize profits. This is linked closely to the concept of corporate social responsibility (CSR - Corporate Social Responsibility). European Commission, in the document *The Renewed EU strategy for 2011 to 2014 concerning corporate social*

*responsibility*¹² defines CSR as "corporate responsibility for their impact on society"¹³. The pre-condition for such obligations under responsibility, is to respect the applicable legislation and collective agreements between the social partners. A full compliance with these obligations is closely linked to integrating social, environmental and ethical issues, as well as those related to human rights and consumer problems. The aim should be, on the one hand, create common values for all interested parties and the society as a whole, while on the other hand, to minimize the negative effects (renewed strategy, 2011, s. ⁽⁷⁾). What CSR strategy it pursues in practice refers to sustainable development, in which economics, ecology and social affairs are as important.

In Poland the concept CSR is relatively new and not necessarily well understood. Still it is perceived primarily as part of the company's PR, and not a separate strategy (Orlowska)¹⁴. However, the understanding is, firstly, on the basis of the fact that the trader may have high public awareness and feel a deeper need to engage in solving social problems. This is not to keep social activities at the expense of the profit. It is important to take into account while maximizing its profit, the social and ecological aspects (not only for profit).

The information given by the Commission stresses that the use of CSR enhances competitiveness by bringing multi-faceted advantages¹⁵. Companies implementing CSR may have a significant impact on the achievement of sustainable development and a highly competitive social market economy. With the support of the European Commission and the national and international organizations, the CSR concept becomes more and more known among entrepreneurs and business environment institutions in Poland¹⁶. Despite all these initiatives, the level of knowledge and the implementation of a socially responsible business is still insufficient and requires an intensified action, educational and promotional.

To conclude this part of the article, it can be said that, in order to increase economic freedom in Poland in accordance with the spirit of the social market economy, we should adhere to these directions:

1. Increasing the protection of the economic freedom.
2. Decrease the state interventionism.
3. Dynamic development activities to increase CRS (quantitative and qualitative) - not-only-for-profit organizations.
4. An increase in the number of social enterprises (not-for-profit organizations).

Private Ownership

Private ownership is the basis for safety and creates the conditions for the achievement of other objectives. The problem in modern societies is amalgamation of ownership, its low dispersion and the stratification of the society¹⁷. The direction should be to take actions to reverse these phenomena, and thus to generalize (scattered)¹⁸ ownership as well as reduce social stratification. One way to do it is to combine work with the ownership of the capital through employee participation, floating shareholders, and cooperative ownership¹⁹. Today the majority of operators belonging to the private sector is dominated by the owners of the capital and workers. However, "some part of it are companies located in less or more scrutiny by the employees, and the owners and operators do not play a significant role in them" (Gorski, 2009, p. 37). To this category, in Poland, we first of all include work cooperatives and partnerships, but it is crucial to show them on the basis of the employee participation.

Financial participation by employees, shareholders comprise both staff, cooperative sector

In the literature, we can find various definitions describing employee participation. European Model of employee participation is based on four pillars: collective agreements, participation, direct or indirect participation by a representative and financial participation (the 3 main forms: participation in the profits, shareholders comprise both staff and options employees for the purchase of bonds).

The interest in financial participation increased significantly in the EU over the span of the last several years. Since 1990, a number of initiatives have been taken up at EU level to

encourage the formation of participation programs²⁰. This resulted in carrying out such programs in the various EU countries, especially at the beginning of the XXIst century, often involving legislative changes²¹. This has led to a steady increase in the participation of workers in the EU over the last 10 years (PEPPER-IV)²².

For the property domain the concept of employee share ownership is quite vital. It is defined as "a form of long-term capital participation in the assets of the undertaking for which they are employed " (Akcjonariat, 2011), which makes them co-owners of this company. When the crew is comprised of full pool of shares or control packet, we are dealing with the employee partnership. Staff floating shareholders are widely known in many countries. Partnerships created through the Employee Stock Ownership Plan (ESOP) from the 60s in the United States can serve as an example²³. ESO was introduced in Poland at the time of privatization. Two of acts - the 1990 and 1996 - allowed for acquiring shares of the privatized companies by the employees²⁴. Without going into details, it should be stated that it has not brought any palpable effects in the form of employee partnerships. In most cases ESO accepts managerial nature of the companies. Commentators of the privatization process in Poland draw attention to the fact that the acquisition of shares by employees is a kind of transaction, the purpose of which was to obtain permission for the privatization of the crew owned company (Wratny 2004, p. 6). In a more radical statements referred to is the "bribe". However, an assessment of these actions are different. Wratny believes that it served well the smooth privatization process which has been of interests the general public (Ibid, p. 6). In contrast, the other talks about taking deliberate actions aimed at taking over state ownership by private businesses. Research carried out by Wratny showed, that the solutions introduced in Poland regarding ESO do not contribute to more closer association of the employees with the company as well as gaining power to influence future decisions. "Employees do not see themselves as persistent shareholders of the company having an active attitude toward the interests of the company or even in the game for influence, and they treat the shares that were made available to them as an after-work premium money for the agreement of the crew for privatization. (Ibid, s. (7)).

Factors that contributed to this state of things are abundant. However, it seems that the most important role (negative) played the way of introducing ESO, including the law forming its foundation²⁵. Currently what the employers see in the development of ESO is an opportunity for the employees to get more involved in the development of the enterprise. They stress, however, that this must be an aware ESO, based on educational activities and engaging in processes within the company. This, fully overlaps with the vision of employee participation promoted by the European Commission and the European Union, and also by national guidelines. They assume participation of workers at all stages of ESO introduction as well as participation in decision making. Does ESO have a future? At the EU level the response appears to be positive. Specific recommendations are formulated in this regard, and future trends in the financial participation of workers is seen in the joining of the capital shares and shares in profits. It would be ideal to intensify actions regarding legal changes, which would benefit the formation of cooperative partnerships²⁶. It can, however, be doubtful whether politics supports this idea - deduced from another example of a cooperative, also set up on the premise of cooperation²⁷.

In EU documents, production cooperatives are to be treated as a good example, especially financial participation in a situation, where a majority of the members are also part-owners and employees (EESC opinion, 2010, s. 12)²⁸. In our country is difficult to see any bigger support for these kinds of companies. This is reflected by the adoption 29 changes in the law in 2011, allowing for the conversion of a cooperative work into commercial companies. The advocates of these legal changes stress that the possibility for efficient conversion of cooperatives operating in the company will in many cases allow for capital injections, which can protect it from bankruptcy. This is also an opportunity to preserve jobs (Byszewski, 2011). The National Council (KRS) and ZLSP consider it a wrong decision. It may lead to a reduction in the number of cooperatives, also among the negative consequences of such a process, president of KRS. Domagalski, mentions: "depletion, reduced property market structures, the weakening of the social and civic state, reduction a sense of stability and security regulations, reducing economic structures affecting the stable markets and

contributing to sustainable socio-economic development:³⁰. In the opinion of KRS it is "yet another step on the way to the removal of cooperatives from our country, against world trends and abiding by international organizations (UN, ILO, EU), of which Poland is an active member"³¹. The cooperative sector in GDP fell within a period of 20 years from 9.5% to below 1 %, compared to 5- 6% throughout the EU³². Downward Trend appeared in the whole of Europe. In 2005-2009 the number of cooperatives fell from almost 250 000 to 160 000, and members - from over 150 million to 120 million. A. Piechowski from the KRS, stresses that this is, however, not so much with the winding up of a cooperative, but with integration, general assembly of small units into larger (article Piechowski on the KRS' website, cooperative sector in the EU). Despite these trends, according to the T. Meringa, cooperatives are an important element in the economic landscape in most of the countries of the Western Europe, and their operation is conducive to maintaining employment stability and economic situation : "historical examples indicate, that the operation of cooperative sector may contribute to the alleviation of the negative consequences of the economic crises. This is due to the fact that cooperatives are "more resistant". The percentage of the newly established cooperatives, which managed to survive on the market is higher than the one of the private firms (Birchall, Ketilson, 2009, p. 13- (14). Cooperatives may use the capital accumulated by the members and, thereby, develop their activities, even when banks raise the price credits. Cooperatives work (manufacturing and services) contribute to the stability and employment, consumer - restricting an increase in food prices and other essential items" (Mering, 2013, p. 81).

In state of crisis, companies can respond to negative external factors in a number of ways, including: reduction of the working time, reduction in salaries, reduction in the number of employees. Cooperatives significantly less frequently than private companies choose the latter option, more often go toward reducing salaries. Another example of crisis response is converting to cooperatives of the declining business. Piechowski points out that this is particularly popular in the countries of the "Romanesque"-tradition cooperatives: France, Italy and Spain.

This solution allows for the maintenance of existing jobs, creation of new ones as well as the maintenance of the local market production and services (Piechowski, 2009, p. 47)³³.

Solidarity and justice

Can one reconcile the concept of market economy, effectiveness and efficiency of management with the idea of social solidarity and justice? At first glance, it might seem that this is not possible. Attempts made at the so-called "looking-after" state have suffered a failure. Now, they increased the tendency to restrict redistribution, particularly in relation to social spending. However, the advocates of social market economy believe that this is possible and that it should be achieved through the interaction of the two main factors:

1. Competitive order, necessitating high-efficiency management at company level and concentration of human and anti economic powers in the hands of a few entities.
2. Full employment, stable prices, diversification of assets and the increasing income from economic activities (Maczynska, Pysz, 2010, p. 11).

Looking at the issue from a different standpoint is to state that the Polish economy based on neo-liberal concept turns out to be very effective in the management of the resources. In this context, labor is often mentioned together with, capital resources, knowledge, raw materials, the social capital is ignored or is limited to the economic life (trust and cooperation economic actors)³⁴. Our country poorly uses the labor resources and social capital. The number of unemployed persons in Poland exceeds 2 million, employment rate in the age group 15-64 years is 51 (GUS), which means that only half the people in the working age is employed, and levels of social capital are very low (Report -Poland 2030). The impact on the increase of the effectiveness and efficiency of our socio-economic system will therefore have all activities directed at reducing unemployment, increasing employability of persons in the working age and growth of the social capital³⁵. It is consistent with the principle of solidarity and social justice. The scope of such activities is very wide, and at the local level, which is particularly important, will include inter alia building and strengthening

local community and social relations, interpersonal trust and confidence in the institution, appointment and operation in social organizations (formal and informal), volunteering, build civil society, corporate social responsibility and social entrepreneurship.

One could also ask whether the economy taking into account the social solidarity can be competitive. It seems that this is already the case. Consumers pay more and more attention to the social and environmental values respected by their companies. We can speak of an emerging consumer group that is socially responsible. Therefore the businesses must be more and more aware of that. Business is more competitive now not only because it offers goods and services for the best price/ quality, but also because it implements the important values for their customers. It could be argued, that the principles of solidarity and social justice through reconstruction of local communities are largely: social capital, involving persons most vulnerable in the system of exchange of goods and services, strengthening its economy and increase efficiency. This can be measured using various indicators beyond GDP³⁶, the use of which as the sole gauge socio-economic development in recent years has strongly criticized³⁷. One could also develop a method of counting financial benefits of redistribution reduction (including allowances for the unemployed and social assistance for clients), preventing social exclusion (including measuring social costs omissions), all that work carried out by members of the community³⁸.

When we look at a problem to reconcile principles of solidarity and justice with free market from the conceptual point of view, it may be helpful to look at the possibility of a market-based economy with connection "[communautarisme](#)" philosophy, which is the main idea of the rootedness in the community and solidarity action for the common benefit³⁹.

Dialog and cooperation between social partners

Dialog and co-operation with social partners, on the basis of one possible divisions, may operate at several levels: international, national, regional and local. The most common form of dialogs are public consultations, cooperation and the institutional manifestation of various types of work: inter-ministerial and inter-sectoral. Public consultation and the

appointment such bodies is the expression of the inclusion of a wide range of actors in the process of shaping of the socio-economic reality. Their existence itself does not guarantee, however, the exertion by the social partners on actual impact of implemented solutions. They often have a façade nature - they exist but do not serve its most important function: partner programming and implementing public policies. The results of the consultations and the work of teams are not consumed by the authorities, possibly it might be happening to a small extent. Changing the status quo requires a great effort and a willingness to fight against the social partners. On the part of the government, although, there are initiatives for dialog and co-operation, but the biggest problem will be changing the mentalities of representatives of public administration and their awareness, what our relationships really are.

At the communal level most appropriate way to overcoming these deficits in cooperation is to build local partnerships. Local community is, under such circumstances, has an objectionable character and is treated as a community of persons having a special relationship with the territory inhabited by them. Ties between members of the community are derived from local needs, local solutions to common problems (Sztando, 1998, p. 2). Without affecting the space inhabited area, changing its functionality, the business environment, live and work community decides about the direction and speed of local.

Local Government should be a driving force for the development of the economic, social, cultural and environmental strata. Therefore, it must be, in the first place, with its number of powers, tools and resources. Secondly, local government authorities must be aware of their role and not be confined by the mandatory tasks. It is a constant initiative in the use of local material and intangible assets in order to restructure almost all socio-economic areas of life. It is absolutely necessary to bring people together around ideas for local development, involving them in the planning and implementation of joint activities. Only a coordinated activity of all environments can lead to solving of the local problems and optimal development of the entire community. So focusing on structure corresponding to a local government, which in our country has been increasingly more popular, is local partnership. It

brings together representatives of the local government, civic organizations and business entities around local issues, it is a platform for the exchange of information, joint diagnosing situations and find solutions.

Partnerships are an important part of modern public management at the local level, allowing for the use of social capital - inherent in both local government institutions, as well as civil liberties groups activity. Citizens and members of the community have the opportunity to influence the socio-economic decisions, affecting them. Local Partnership is the highest form of dialog and cooperation between participants in social life⁴⁰.

2. The social economy is the sector?

The question raised cannot be answered comprehensively in a short article. Nevertheless we can at least provide a starting point for further reflection and discussion. The claim that the economy can be both market and social welfare seems plausible. This does not mean, however, that the social spending should be blown out of proportions and the country should move toward the welfare state. Such a model has not been successful, that is why it is crucial to think of other solutions. Social market economy can be thought of as the economy, in which market mechanisms work well, but the role of the country is not simply in the role of "the night watchman". The State deliberately introduces order into the economy, which is supposed to protect it from warps. The social market economy development is possible by assuming that the managing entity is able to develop morally and can knowingly act toward the creation of common good. This is all the more possible, that it is not being penchant for puns apparently unrelated to any other atom, focused on their own selfish purposes, but is deeply rooted in the communities of persons whose specific form is the local community ([communautarisme](#)). Economy built on the basis of social bonds, respecting the principle of solidarity and justice may be a more efficient and a competitive economy than "the invisible hand". Such phenomena as corporate social responsibility (CSR), ESO, staff, co-operative banks, ethical mutual society, new entrepreneurship, social, civil society organizations, formal and informal associations developing self help, volunteering and many other of a similar nature will contribute to

social capital, reconstruction of cooperatives, reciprocity, responsibility, inclusion of persons in difficult circumstances in the circulation of goods and services, and finally dispersed ownership. It is the dormant resources and hidden potentials that also decrease the social spending.

Economy, in which there are the above phenomena is also more economically efficient. However, this statement cannot be definitively proven in such short article. We can, however, quote some of the information, which can push us in the direction:

1. In 2010 in Poland people aged 15 years and more sacrificing time to do voluntary and unpaid work outside their household developed as part of this work including 2.5 billion hours, i.e. 1.46 million conversion posts. This number is 10.6% compared to the pay-out in the entire economy (13.8 million posts). The estimate of the voluntary work term is 38.3 billion zlotys (GUS, 2012);
2. The National Center for the Employee Ownership in Oakland provide research results published in 1987 on the positive impact and participation of workers in economic efficiency of the companies. Tests were taken by approximately 50 companies which have introduced ESOP and 200 without it. "It was found that, while companies with ESOP already had a 1.2% greater annual increase in the rate of employment and 1.89% higher sales rates, after introducing shareholding the indicators have raised to accordingly 5.05% and 5.4%. However, the biggest impact on the efficiency had not just the introduction ESOP, but linking it with the so-called participatory management style. The same research has shown that such ESOPs grew 4-5 times faster than those who have not done so" (Koziar)⁴¹.
3. Existing in the literature theoretical considerations and empirical results show that there exists a positive relationship between corporate social responsibility and business efficiency economic enterprises, which shall introduce the CSR strategy⁴².

Considering such a topic, thinking about economics as social sector, which is supposed to mitigate negative consequences of the market, is incorrect. On the one hand, it hinders the understanding of the perspectives on economy, which in its entirety may be economic and

social at the same time, on the other it boils down to social entrepreneurship type of solidarity, which M. Rymsza called vertical (assistance to the vulnerable), and moves it from horizontal solidarity and reciprocity (self help), introducing to a large extent "social economy" outside of the market (Rymsza, 2008, s. 2).

To a certain extent the sectoral approach can be seen in the National Development Program of the Social Economy. Resulting from a few consultations is the expansion of the paper's objectives and priorities, which significantly brought him to the non-sectoral approach⁴³, nevertheless the "letter" underwent a change, and the "spirit" remained the same. Sectoral understanding ES manifests itself primarily in the definition of a social enterprise (in accordance with the draft law), restricting it to entities performing reintegrative functions and/or providing social services, as well as placing the trends rather than social assistance on the side of the economy and development. This can be seen in the proposed institutional structure: coordination at the national level is located within the Ministry of Labor and Social Policy, and at the regional level is carried out by the regional center of social policy. However, this structure should be different: at the national level the Ministry of Regional Development, at the regional level a chosen actor (e.g., in a form of a regional partnership), at the local level local government cooperating within the framework of the partnership with the other local actors. Unfortunately, for creating and implementing multi-annual regional social economy development plans on behalf of local governments regional center of social policy (ROPS) will be responsible. No one should be though suggested by the phrase "social policy" the name contains. The ROPS shall be governed by the law on social assistance, which clearly indicates that these are the organizational units performing tasks social assistance in Texas government (Article 113 (1). It is worth emphasizing, that in the above mentioned article, the sentence "coordinating the activities of the social economy in the region" has been added in Article 21 as item 4a to the point 4 "foster and promote the development of new solutions for social assistance". Therefore, despite the fact that the planned national committee and regional assemblies are of a cross-sectoral and, they are clearly positioned on the side of institutions responsible for policy and social assistance, and not economy or regional development. Such a look at ES is reflected at the local level, where

the general issues related to the ES are transferred to such entities as OPS, PUP and PCPR. As has already been indicated, priority areas have been treated KPRES widely. Particularly positive is an introduction to the socially responsible territories. Optimism, however, decreases, if one combines targets with another document, which will have a major impact on social economy development in Poland - "AKSES. The concept of accreditation and standards of institutions to support social economy". It has a very formal nature, a vision of support presented in this document does not correspond to the need for the reconstruction solidarity and entrepreneurial local communities with high social capital in Poland. There is also a proposal of the three types of "services" that support social economy and social entrepreneurship: animation services, local services, development economics and social services support for existing social enterprises, can be separated, which means that they will not have to provide one single entity. Simply, they will all were provided in one region (KPRES). The way of implementation will be decided by the regions, but it can also be assumed (such concerns exist), that this will lead to a lack of coordination of activities. It may also be that in certain municipalities the environment is being animated, in others there is a developing social economy, as well as helping existing social enterprises. It will not be similar to a sustainable local development (which KPRES also is), on the contrary, it will be served by centers for support ES, which will specialize in a particular service and will not have to make the effort to introduce all the activities in a systemic and complex way.

As a counterpart to the concept presented by OWES an example of model developed and implemented by the Foundation Mutual Assistance Barka from Poznan can be given. The Foundation was established in 1989 as a response to a dramatic situation of many people, which could not be appeased in the period of transition. For the last 24 years it has developed a model solutions for combating social exclusion, rebuilding local communities, and development of the social economy. The model as a whole is described in Barka's publications, therefore at this point I will present only a few aspects, to show how it fits to the concept of the social market economy. The implementation of the system requires, on the one hand, shaping a competitive force with high efficiency management governance, on the other hand, reconstruction of the local government based on the principle of solidarity

and social justice, involving persons most vulnerable in the system of exchange of goods and services. The importance of the first type of action is more moved toward the systemic and legal level of solutions, the secondary however to the local actions⁴⁴. The actions of Barka are targeted at the reconstruction of local government on the basis of partnership system of planning and implementation of solutions for integration and social entrepreneurship.

The first step is to convince the local government to partnership and social entrepreneurship. This is followed by a partnership building phase with social and economic actors, diagnosing socio-economic situation in the municipality, planning solutions to respond to local problems. Then, comes the most difficult stage - partner scheduled deployment solutions. The entire process is stretched out in time, and in the course of its implementation is necessary to break down many barriers, primarily including mental. Therefore, work in the local environment requires appropriate methods of operation. The key principles used by Barka's methodology can be summarised as follows:

1. Education has a formative nature - its purpose is not only to know, but first and foremost to shape the solidarity attitudes and the motivation to take specific initiatives.
2. The work carried out by the partnership is the animation performed by highly skilled workers.
3. Meetings shall be conducted only by practitioners, i.e. by the persons who are pursuing solutions for social economy in their area: representatives of government authorities (mayors, governors), labor market institutions, assistance and social inclusion (PUP, OPS, CIS, NSIS), civic organizations, entrepreneurs. During the meetings they share their experience and come up with possible solutions. The new partnerships after a period of time they begin to act as experts.
4. The meetings are attended by persons who experienced social exclusion in the past and which have also successfully undergone socio-professional reintegration process and are currently conducting a social enterprise. Involvement of these people very

- often breaks down the skeptical attitude toward the meetings of the attendees to the possibility of change in the lives of the excluded.
5. A key element of the work of the partnerships is to visit studios in the local environments, in which institutions function as integration centers (CIS, NSIS) and social enterprises.
 6. Create a network for the exchange of experiences, contacts, solutions. There are seminars, conferences, travels. IN partner meetings attended by representatives of various countries from all the continents. This is mutual broadening of perspectives, open to other cultures, flowing innovative solutions.
 7. The meeting is very extensive, for public policies, integration, social entrepreneurship in a broad sense, civil society, corporate social responsibility, available housing, migration, ecology, volunteering, and many others.
 8. One of the objectives is to integrate partner local community by organizing self-help programs. New associations and informal initiatives.
 9. Working with the partnership must lead to a lasting nature of partner relationships, call co-responsibility for the newly emerging social economy entities, creating a good atmosphere for citizens' initiatives and entrepreneurship and as broad community engagement in the design and implementation of the actions of local development.

Such action is being now carried out by BARKA in several dozen municipalities throughout the country. In the Greater Poland region a project was just launched, which intends on bringing consistency to 11 districts for the socio-economic development. In addition to the municipalities, this requires creating platforms for cooperation all over the county. This means, that the activity of BARKA is a planned and systematic, and doesn't end with the appointment of a certain number of social economy actors, but seeks to change whole local environments, thereby increasing their coherence and ability to self-support socio-economically⁴⁵.

Concluding, we could formulate several recommendations in order to encourage further thinking about the Polish socio-economic system. It is definitely worth attempting to join the

trends talking about social economy and market economy. On the one hand, it can help in response to a question, what the social aspect of economy is, and on the other, token economy and social economy closer to development, and not social assistance.

A circle of local environments should be broadly introduced to the mainstream "old social economy", lead to promotion and education about cooperatives, mutual partnerships, employee participation, employee shareholders and companies. It is worth to show, that social economy can be the place for the realization of aspirations of the vital signs for each one of us, not only for people at risk of exclusion . At the national level one must seek such legislative changes, which will support the development of entrepreneurial types.

It is educating local environments for corporate social responsibility and promoting this idea among local entrepreneurs that is vital. One of the forms of responsible operations may be constant cooperation in partnership with social enterprises. It should also require institutions to support social economy placing in local environments, real and lasting changes on the basis of comprehensive systematic actions for the development of management, partner organizations, self-help, participation and entrepreneurship, and not the subsequent training and hours advice, which primarily serve to achieve design panel. At the end of its appeal to attempt to take out the sectoral approach to social economy, and thus to widespread use of this term. Let's start talking about the social economy and the social economics go down in history.

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