Towards Alternative Model(s) of Local Innovation

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Summary. This paper introduces a Special Topic on social innovation in the governance of urban communities. It also seeks to widen the debate on the meaning of social innovation both in social science theory and as a tool for empirical research on socioeconomic development and governance at the local level. This debate is organised around ALMOLIN—i.e. alternative models for local innovation as utilised in the SINGOCOM (social innovation in governance in (local) communities) research. The first section explains the role of social innovation in neighbourhood development and how it is best addressed from theoretical, historical and experience-oriented viewpoints. The second section provides a survey of the definitions of social innovation in a variety of social science fields, while the third section mobilises various strands of literature that will be of use for the analytical refinement of ALMOLIN. Section four illustrates how ALMOLIN is used as an analytical tool for empirical research. The final section shows some avenues for future research on social innovation.

1. Introduction

This Special Topic deals with the role of social innovation in neighbourhood development. Its main focus is theoretical. It surveys the theoretical literature on social innovation across the social sciences: social and institutional economics, regional and local development theory, political science, institutional and urban sociology, planning and geography, with occasional references to other disciplines with an interest in spatial development. Not all theory that is mobilised in these theoretical papers refers to the spatial or the local. There are many reasons for this. We mention only two here. First, many of the analytical lines relevant to the understanding of ‘social innovation’ have been developed as arguments within the debate on the transformation of society as a whole (see, for example, Chambon et al., 1982). This is particularly the case for political science arguments on the role of civil society in social change (Swyngedouw, in this issue) and the counter-cyclical role of the social economy in the overall macroeconomic dynamics (Moulaert and Ailenei, in this issue). Secondly, the topic of social innovation is a relatively new one. It was used at the turn of the 19th century by Max Weber (‘social inventions’) and in the 1930s by Joseph Schumpeter; but until some 20 years ago it was not a predominant theme in social science analysis (Moulaert and Nussbaumer, 2006). But the discontent with the technological bias in economic innovation literature and innovation policy, the
technocratic approach to urban planning in the late 20th century and the mildly positive results obtained from local development initiatives in Europe and Australia increased the enthusiasm for social innovation as a lead theme in the theorising of human development and emancipation as well as in local development strategies (Hillier et al., 2004).

The starting-point for this Special Topic lies with SINGOCOM, a socioeconomic research project dealing with ‘social innovation in governance for local communities’, funded by the Framework 5 Programme of the European Commission. This project was in part meant as a reaction against the narrowly defined deterministic views of innovation as a driving force in urban development strategies policy and in the so-called New Urban Policy (Swyngedouw et al., 2003; Moulaert et al., 2003). During their extensive experience as researchers and activists in civil society and local government, the proposers of SINGOCOM had become impressed by the mushrooming of high-quality and innovative community development initiatives in European cities and wanted to provide these initiatives with a new synthesis of theoretical foundations.

A sample of some of these innovative initiatives can be found in the Small Databank that has been produced in the course of the SINGOCOM research and that is available on the project website. Concepts of innovation used in this sample range from attempts to supplement gaps in the welfare state to creative community arts initiatives and organisations. But the general social rationale of these initiatives is to promote inclusion into different spheres of society (especially the labour market, education system and sociocultural life), while the political rationale is to give a ‘voice’ to groups that have been traditionally absent from politics and the politico-administrative system at the local and other institutional/spatial scales.

In Berlin, for example, the Quartiers Agentur Marzahn NordWest, a local mediating organisation or ‘integrated neighbourhood action’ carries out the task of project co-ordination, activation and participation of residents and associations and initiation of projects in the neighbourhood. It has been particularly successful in integrating groups of German resettlers from the Soviet Union in the governance structures of neighbourhood management, thus establishing a direct link between the needs and demands of this excluded group and the resources to tackle them. In Naples, a Catholicism-rooted group of volunteers established an informal social network to help people in the deprived area of Quartieri Spagnoli. Over time, the network acquired institutional capacity and became a node in the management of funds from different governmental levels such as the EU or the Naples city council. In Sunderland, north-east England, a workers co-operative and a housing association came together in the early 1980s to share their skills and help new co-operatives start, and to become a central part of the economy in the area. Social and co-operative enterprises assisted by them now employ over 400 workers (full- and part-time) and have a collective turnover exceeding £5 million (around €7 million) up to June 2002. In Antwerp, BOM (meaning Bomb, but also the Dutch acronym of the Neighbourhood Development Corporation) was born in reaction to the economic, sociocultural and physical decay of the most deprived neighbourhoods in the city. BOM promotes the concept of community-based economic regeneration and integrated area development by bringing together the resources in order to improve the living conditions of the most deprived people, to reintegrate them into the economy through customised training and individual counselling and to reinforce the economic base of the district. BOM has networked private and public partners from a variety of spheres in society, organised at different spatial levels (local, regional, national, EU). In Milan, a psychiatric hospital has been (re)integrated in the public, social and economic space of the city and the metropolitan area by opening its doors and setting up economic activities run and used by patients and neighbours. In Cardiff, Wales, a project was initiated by an American anthropologist to
record the heritage and social history of a deprived and excluded neighbourhood threatened by property development. The project’s objectives include building awareness and critical engagement of citizens by using collaborative arts-based projects. Other cases have been recorded that cannot be dealt with here, which all show, across different institutional settings and through different trajectories, the relevance of the social dimension in innovation dynamics and in political governance.

In order theoretically to orient and methodologically to structure the case study work in the SINGOCOM project, alternative model(s) for local innovation (or ALMOLIN) were developed. Originally, in the proposal to the EC’s Framework 5 Programme, ALMOLIN was only meant as a heuristic device with which to organise the case study work on social innovation at the local level; but later it also became a framework for the discussion of the meaning of social innovation, from both an analytical and a normative point of view. To develop such a framework for analysis, three lines of thought were combined: a movement and philosophy line; a line of living experiences; and a line of the theoretical debate on the various dimensions of social innovation.

In the ‘movement and social philosophy line’, we looked at which visions, philosophies and movements have inspired or founded social change both at the local and broader scales in Europe. To this end, we have undertaken a transverse survey of the multitude of ideologies and social movements in the various national and local contexts. This survey starts in the 19th century and ends with contemporary society (Moulaert et al., 2005). Results of this survey can be summarised as follows.

Common roots and national specificities. The world of social change movements is endlessly broad. Movements can arise at various spatial scales: at the local level, against urban renewal projects eradicating a neighbourhood; at the regional level against changes in regional policy or oppressive practices of a retail chain; at the national level, against changes in employment policy or to achieve greater civil rights. Moreover, movements can be very pragmatic in origin, a plain reaction to mechanisms of exploitation or oppression; but they can always be related to some grand social philosophy or norm, such as bourgeois philanthropy, liberal justice, anarchist liberty, socialist solidarity or revolution. Finally, even such grand philosophies can acquire peculiar features, can be reversed and even reshaped by the pressures of local political, social and cultural contexts. All this said, a number of features of change dynamics, as well as tensions, can be identified and seem to be shared among the movements and places, which constitute the core of the ALMOLIN analytical framework.

Focus on community, governance and reproduction. The post-Fordist social movements mostly focus on the reproduction sphere and on consumption, away from the traditional struggle in the workplace and in the production sphere. They also target governance, meant as a more democratic and direct form of government from below. In fact, most contemporary social movements aim at recovering a ‘local’ and community dimension in government. On the other hand, this revival of a community dimension, linked to the notions of ‘local identity’ occurs precisely when phenomena of social exclusion also reappear, after some decades of relative weakening.

The re-emergence of the social economy and the self-help tradition. It is not surprising, then, that with the faltering of the ‘safety-net’ of the welfare state, which had somewhat compensated for social disintegration, especially in large metropolitan areas, the philosophical tradition of the social economy—i.e. self-help, mutual aid, civic or religious associationism—makes its reappearance, even in public discourses.

Tensions between community initiatives and the central state. The recent focus of social research on ‘governance’ is generally oriented towards stressing the inherently positive features of local democracy and, therefore, of community-oriented, grassroots initiatives. More or less explicitly, there is a criticism of central state welfarism as authoritarian. And, indeed, a large number of
contemporary social movements are geared—as already stressed—to achieving more democratic control over local government, as opposed to the central government. Other initiatives aim at replacing state governance and service provision, a tendency that may or may not lead to a hollowing-out of state power and representative democracy (Swyngedouw; and Gerometta et al., both in this issue).

**Social innovation vs institutionalisation.** The more grassroots, spontaneous, creative initiatives, those which develop against or seek to change established practices from below, are also the most innovative, as the survey shows. This may be true, but it also raises the issue of the sustainability of innovation—i.e. the tension between innovation and the institutionalisation (often under the wings of the state) of changes. The more reformist movements may in general have had a longer life, a wider spatial impact or broader social benefits, but in contrast to the more grassroots-based or even utopian experiments, they have also been more prone to bureaucratisation and have lost touch with their original hunger for social innovation. In fact, long-lived social movements often go through a life-cycle, which involves increasing formalisation, professionalisation and possibly co-optation into the established political system. The most typical phenomenon is the integration of successful civil society organisations into local public administrations or services (Moulaert, 2002, ch. 4).

**Community vs society.** All social movements have to deal with the tension between community and society (Gemeinschaft and Gesellschaft). This tension has various dimensions: the embedding of the (smaller or more specific) communities into the broader society where the dominant trends often alienate the emancipatory strategies of the communities; the ‘élitist’ character of the development paths in ‘daringly’ innovative communities; the exclusion of ‘non-communitarians’; the moving-away from mainstream institutional models ‘paternalising’ community initiatives (such as welfare institutions, laws establishing the co-operative enterprise system), etc. Some of the Belgian experiences, in particular, highlight quite well how, in the post-modern age of renewed social exclusion, the community ideal can actually be quite exclusionary, whereas the cosmopolitan ideal does accommodate cultural diversity.

**Product vs process innovation.** Most contemporary discussions about social innovation stress the ‘process’ dimension of social innovation—i.e. the governance and capacity building (empowerment) dynamics of social movements and initiatives. On the other hand, our survey of recent movements and initiatives has highlighted the fact that, in the current phase of welfare state retrenchment, the ‘product’ dimension—i.e. the provision of public services and redistributive measures—is re-emerging as a major issue: as the needs grow, the return of bread-and-butter measures becomes more explicit.

Secondly, the line of ‘living experiences’, with or without a link to history, adopts probably more pragmatic approaches to social change than those developed along the movement and philosophy line, or in the theoretical debate covered further on. Evidence on the living experiences that were analysed to design ALMOLIN can again be found on the SINGOCOM website and will not be dealt with in this Special Topic. However, we will illustrate in section 4 how the ALMOLIN model can be used the better to analyse such living experiences of social innovation strategies and processes.

The third line is the theoretical debate on the meaning of social innovation, especially with respect to social relations in governance, pinpointed as a strategic ingredient of any social change or innovation strategy or process. It is the real focus of this Special Topic.

The second section dwells on definitions of social innovation in the social science literature of the past 20 years; it shows how social innovation has become increasingly important in the analysis of society, its development and governance at various spatial levels. The third section provides an overview of the literature dealing with social innovation as it is relevant to the study of such dynamics at the local level and to the governance of
neighbourhood and community development in particular. It shows how ALMOLIN, our alternative model, has mobilised a variety of theoretical reflections on social innovation at the local level. The fourth section will then provide indications on how ALMOLIN is a useful tool for case study analysis, whereas the last section dwells on future challenges for locality and local development research.

2. Definitions of Social Innovation

The concept of ‘social innovation’ has, by now, become a commonly—but not consistently—used term in the literature on innovation. This SINGOCOM research network, that started as a smaller group in the late 1980s, could be considered as having coined social innovation as a scientific concept in territorial and innovation analysis, although the term had been used before by other authors in reaction to or as amendment to outspoken technological and managerial views of innovation and innovation strategies in economics, sociology, business administration, etc. (Hillier et al., 2005).

In fact, social innovation was the structuring concept in a new approach which tackled neighbourhood development as a strategy against poverty in the European Community (Moulaert et al., 1992). Integrated Area Development was defined as an alternative to sectoral, ahistorical and top-down strategies for local development—especially neighbourhood development. For local development to be successful, various domains of intervention (economy, housing, education and training, local democracy, culture, etc.) had to be integrated; but the agencies and the spatial scales of intervention needed to be articulated in territorial social networks, often consolidated in territorial pacts or agreements. The integrating dynamics had to come from ‘social innovation’ in at least two senses: social innovation through the satisfaction of unsatisfied or alienated human needs; and, innovation in the social relations between individuals and groups in neighbourhoods and the wider territories embedding them. In an ideal situation, both views of social innovation should be combined (Moulaert et al., 2002). For example, strategies of neighbourhood development should pursue the satisfaction of failed needs, through innovation in governance relations in the neighbourhood and the wider communities (for a survey of the literature, see Moulaert et al., 2002). These governance relations include the interaction with and the embedding into the politico-administrative system of the democratic states of the countries to which the communities belong. Therefore, innovation in governance relations also means innovation in representative democracy and governance of state institutions.

Unfortunately, in most contemporary social science literature, on the other hand, the concept of social innovation, despite its spreading use, is not treated in depth. In the next few pages, the main strands of literature on social innovation—those most directly connected with our view—and our own approach will be highlighted. It is important to stress that we only cover the literature that explicitly uses the concept of social innovation—related concepts are not covered, they will be examined in section 3. However, we will indicate how social innovation is a comprehensive concept, pointing to a multidimensional process of social change and its various dimensions.

2.1. Contemporary Literature on Social Innovation

In the mainstream social science literature of the 1990s, the notion of ‘social innovation’ was almost exclusively confined to management science and business administration as a dimension of innovative ‘business strategy’. Its meaning in these disciplines basically implied a change in human and institutional and/or social capital that would contribute to improved competitiveness. The term thus referred primarily to the transformation and restructuring of organisations with an eye towards improving organisational efficiency. However, long before social theory began engaging with ‘innovation’, economic theory had of course considered the importance of ‘innovation’. Therefore, it is imperative to
readdress briefly the debate on innovation in economics.

Economics, in conjunction with management science and organisational sociology, has long monopolised the theorisation of innovation, particularly within firms. Although the notion of ‘social innovation’ has almost never been used in the economic literature since Joseph Schumpeter, who is considered to be the godfather of the analysis of innovation in economics, we can clearly discern a tendency towards addressing the ‘social’ nature of innovation in economic theory over the past half-century or so. Schumpeter, of course, was the first to underline the necessity of social innovation in order to guarantee an economic effectiveness that would parallel technological innovation (Schumpeter, 1942). Although his perspective underscored the pre-eminent role of technological innovation in his view of the innovation process, he clearly recognised the central importance of social innovation. This positioning has had an influence on the development of innovation theory in economics, which today explicitly underscores the social character of innovation in firms and the increasing recognition of the relative autonomy of social innovation in organisations. A new survey of recent EU research shows the importance of innovation processes which combine strategic behaviour with dynamics of business culture and both intra and inter organisational learning (Moulaert and Hamdouch, 2005). But Schumpeter also recognised the role of social innovation in other spheres of society as well as the economic—i.e. in cultural, social and political life (Moulaert and Nussbaumer, 2006).

In what follows, we outline four strands or approaches that have either mobilised or analysed ‘social innovation’, including our own, and that have had an influence on the construction of ALMOLIN.

The first strand is related to the discussion in ‘management science’ already signalled above. In this literature, emphasis is put on the role of ‘improvements’ in social capital which can subsequently lead to better-working (more effective or efficient) organisations in the economy and thereby generate positive effects in terms of social innovation across the sector. An interesting spin-off quite relevant for ALMOLIN, is about social innovation in the non-profit sector (see, for example, the Stanford Social Innovation Review). Damanpour (1991), in his meta-analysis of organisational innovation, distinguishes between the effects of its ‘determinants’ and of its ‘moderators’. He verifies the relevance of several existing theories of innovation in the search for an improved understanding of contemporary organisational innovation. The Stanford Social Innovation Review equally considers various aspects of ‘social innovation’ as emerging in a variety of initiatives throughout society, including the role of leadership and the innovative processes taking place in philanthropic and non-profit organisations.

The second strand of literature consists of a more multidisciplinary approach which addresses, by combining management practice and scientific research, the complex articulations and interactions between ‘business success’ and social/environmental progress. This link is also quite important for ALMOLIN—i.e. with respect to the definition of the social economy and its relationships with the market economy (see Moulaert and Ailenei, in this issue). A well-known initiative in this domain is the ‘Business and Society Programme’, originally called the Aspen Institute. This programme focuses on providing assistance to companies that seek to marry commercial and financial objectives with social and environmental concerns.

The third strand of literature belongs to the field of fine arts. It centres around theories on ‘Art and Creativity’ and considers the role of social innovation in intellectual and social creativity. A seminal contribution to this approach was made by Michael Mumford, who defined social innovation as the generation and implementation of new ideas about how people should organize interpersonal activities, or social interactions, to meet one or more common goals. As with other forms of innovation, the production resulting from social
innovation may vary with regard to their breadth and impact (Mumford, 2002, p. 253).

Mumford, who has written extensively on the role of social innovation in creative and artistic processes, identifies a wide array of creative innovations, ranging from the ‘great innovations’, such as those inspired by Martin Luther King, Henry Ford or Karl Marx, to ‘micro-innovations’, such as the creation of new procedures to structure or organise the labour process or improve modes of co-operation, the introduction of new social practices within social groups, or the development of new commercial practices or methods. These all feed into several dimensions of ALMOLIN.

The fourth strand of literature relates to the process of social innovation in territorial or regional development. It includes our own understanding and research on social innovation at the local level. Moulaert et al. (1990/2002) have stressed the problems of local development in the context of European cities: the dispersal of competencies across a wide range of political domains, the absence of integration of or co-ordination between different geographical scales and, most importantly, the marginalisation of the needs of fragile or weaker social groups within the urban fabric. In order to overcome these significant barriers, Moulaert (2002) suggests organising neighbourhood development along an Integrated Area Development approach, as outlined earlier in this article.

2.2. Social Innovation: A Multidimensional Concept

The literature cited above opens a range of avenues which, depending on their particular intellectual trajectories, emphasise various specific aspects, but ultimately offer complementary dimensions for the analysis of social innovation. Moreover, other literatures, which do not explicitly use the concept of social innovation, are of relevance here.

Management science emphasises the dynamic interrelationship between organisational restructuring on the one hand and creative learning on the other. Communication, adaptation, creative acts and learning experiences within organisations fuse together at the intersection of structural changes and innovative behaviour and offer opportunities for the social innovation of human and social capital. And when this is extended to not-for-profit organisations, the objectives and finalities of innovation broaden out to incorporate social emancipation, a concern for the quality of the environment, the sharing of creativity, etc. This opens a new perspective on socially innovative agency styles and governance dynamics—including personal and collective empowerment.

From this perspective, social innovation achieved by means of ‘socially’ transforming organisations is an equally important aspect of the second line of inquiry which links commercial success to social and environmental improvements. The research on social or ethical entrepreneurship mobilises and opens up a vast terrain of findings and observations on social innovation that relate to themes such as self-management, ecological production, the influence of companies on international trade policies of ‘their’ countries or of international organisations, and the like.

The third approach, focusing on arts and creativity, is particularly interesting because it is less constrained by the structural or organisational thinking of management science. It links the role of organisational innovation with initiative and individual leadership in shaping the process of social innovation. Moreover, it takes into consideration not only the learning processes and outcomes generated through best-practice experiences, but also the insights derived from historical studies that can inspire or trigger social innovation at the micro or even macro level.

The fourth approach is, by definition, the most ‘territorial’, but may also offer the most structural and ‘integrative’ perspective. It emphasises the importance of the social structure as a catalyst, but also as an ensemble of constraints for social innovation in a territorial context at the regional, local or neighbourhood level. By situating these constraints within a social structure, this approach offers less
potential for overcoming constraints to the integration of new ideas concerning social development. This is particularly so in comparison with the organisational innovation approach or the perspectives stressing leadership-based creativity that both emphasise the role of key individuals as main drivers for overcoming barriers to change and innovation (Mumford, 2002, p. 255). An integration of the various dimensions of social innovation is therefore required: creative ideas have to be combined with innovative actions, organisational changes with individual initiative, including the role of leaders, the dialectics between history and contemporary change, the need to transform governance dynamics at various scales or levels through personal and collective empowerment and juridico-institutional changes.

The latter leads us to a fifth dimension of social innovation, political governance, which has remained largely outside the scope of analysis since Schumpeter’s time. An example here is the anti-globalisation literature that does not focus explicitly on social innovation, but stresses the social change potential of new institutions and practices to promote responsible and sustainable development of communities as well as more democratic governance structures (Seoane and Taddei, 2002). This strand also has links with the second strand of socially responsible business practices and social economy as shown by Neamtan (2002). Initiatives such as the Global Ideas Bank, the anti-globalisation movements, indigenous populations’ resistance practices, social economy, protests in Latin-American countries and most notably the World Social Forum have been key to the building of a collective utopia under the common slogan of ‘another world is possible’.

Table 1 summarises these interrelated dimensions of social innovation.

2.3 Dimensions of Social Innovation

In all the above approaches, the definitions of social innovation are both analytical and normative. Various dimensions of social innovation are stressed, several of which we use in this paper. We especially stress three dimensions, preferably occurring in interaction with each other

— **Satisfaction of human needs** that are not currently satisfied, either because ‘not yet’ or because ‘no longer’ perceived as important by either the market or the state (content/product dimension). The stress will be on the satisfaction of alienated basic needs, although it is admitted that these may vary among societies and communities.

— **Changes in social relations**, especially with regard to governance, that enable the above satisfaction, but also increase the level of participation of all but especially deprived groups in society (process dimension).

— **Increasing the socio-political capability and access to resources** needed to enhance rights to satisfaction of human needs and participation (empowerment dimension).

If we were engaged in a mainstream debate on innovation, we would argue that an innovation process is effective if it contributes to higher productivity and greater competitiveness of a firm, an organisation, a community. But of course the concept of social innovation is more comprehensive, more context- and community-dependent, and not so easily assessable as within the mainstream approach to innovation. Therefore, we need to use a more indirect assessment approach.

We can then say that social innovation in the SINGOCOM context means changes in institutions and agency that are meant to contribute to ‘social inclusion’ (see Figure 1). ‘Institution’ is used here in its most general meaning—i.e. as a set of laws, regulations, organisations, habitus—that is, formal and informal socialisation mechanisms and processes that have attained a certain stability and/or regularity over time in the form of habits, laws and rules of behaviour and sanctioning, as well as organisations as institutionalised multimember agents. ‘Social inclusion’ refers to a condition of (partial) exclusion at the outset, a condition that is to be transformed through institutional changes.
<table>
<thead>
<tr>
<th>Disciplinary approaches</th>
<th>Aim of the initiative</th>
<th>Change in the organisation of the initiative</th>
<th>Role of the ‘special’ agents: leadership, creative individuals</th>
<th>Role of ‘path dependency’ and of the structural constraints</th>
<th>How to overcome the tensions between normativity and reality?</th>
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<tr>
<td>Management and organisational science</td>
<td>Improve the coherence of an organisation in order to achieve its objectives (financial profits, ethical work, ecological products)</td>
<td>Build a space for the exchange of information and ideas 'Horizontalise' the decision-making and communication systems</td>
<td>The innovative actors in the organisation are empowered within the organisation</td>
<td>Awareness of path dependency in relation to the business culture and its organisation</td>
<td>Tangibility of objectives Regularisation of the relationships between the organisational élites and the rest of the organisation Learning dynamics</td>
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<td>Relationships between economy, society and environment (including social responsibility)</td>
<td>Integrate the social and ecological aims within the mainstreams agendas of businesses</td>
<td>Stress the human relations dimension of work Quality of work and social relations</td>
<td>Tension between the mainstream and the ethical entrepreneurship (represented by the tension between professional organisations)</td>
<td>Interfaces between business and society Ethical forums</td>
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<tr>
<td>Art and creativity sciences</td>
<td>Social innovation</td>
<td>Cognitive processes open to all ideas Communication between individuals; the role of the relationships and inter-personal activities</td>
<td>Particular attention attributed to individually created initiatives</td>
<td>Historical inspiration for contemporary social innovation (grand examples, practical experiences)</td>
<td>The role of information and its assimilation by the creative community The discovery of constraints and solutions Revision and interactive refinement of the proposed solutions</td>
</tr>
<tr>
<td>Territorial approach (Integrated Area Development)</td>
<td>Satisfaction of human needs . . .</td>
<td>. . . in accordance with changes in the governance relations</td>
<td>Increased focus in the role of the community and its social agents</td>
<td>Substantial importance of the historical reproduction of institutional capital</td>
<td>Through multilevel governance and the creation of networks of co-operation between community agents</td>
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<td>‘Another world is possible’</td>
<td>Alternative economy and sustainable development</td>
<td>Participatory democracy and direct action</td>
<td>Importance of charismatic and status quo challenging leaders</td>
<td>Awareness of the structural overdetermination of capitalist-led globalisation</td>
<td>Through collective mobilisation</td>
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and agency. Understanding the nature of social exclusion processes is an essential step in the process of determining inclusive actions and strategies.

It is important to stress that such changes do not necessarily refer to something ‘new’. A return to old institutional arrangements or agencies can sometimes be quite innovative in the social sense (for example, the reintroduction of free education for all; free art classes for all citizens). Social innovation in the sense of changes in institutions can, therefore, also mean a return to ‘old’ institutional forms, forms that could even be considered as reformist. This means that ‘novelty’ could involve (re)turning to mechanisms towards inclusion—if the old serves inclusion better, then opt for the old.

Also, in contrast with mainstream approaches to innovation, we do not talk about innovative behaviour as ‘optimal’ behaviour: best practices are a normative concept, without real meaning in reality or for actual socially innovative strategies. What counts for social innovation is ‘good practice’—i.e. a practice that has shown some contribution to social innovation in other or similar contexts, or ‘good formulae’ that could contribute to social innovation in the future.

SINGOCOM is of course also about social innovation at the ‘local’ level. However, as the literature argues, there is an escapist tendency in prioritising the local as ‘the’ appropriate level for social change. This holds a number of analytical and strategic risks. First, there is the danger of socio-political localism: an exaggerated belief in the power of the local-level agency and institutions ‘to improve the world’, disregarding the interscalar spatiality of development mechanisms and strategies. Secondly, there is the danger of ‘existential’ localism, the idea that all needs should be satisfied within the local heimat, by local institutions. This of course does not make sense, for economic, social, cultural and political reasons. Thirdly, there is the trap of ‘misunderstood subsidiarity’, by which the higher state and economic power levels tend to ‘shed’ their budgetary and other responsibilities to the lower and especially the local levels.

Therefore (see, for example, Moulaert and Nussbaumer, in this issue) social innovation at the local level must be interpreted in an institutionally and spatially embedded way

—innovation in local community dynamics, according to the norms for innovation in development agenda, agency and institutions;
—innovation in the articulation between various spatial levels, benefiting social progress at the local level (agendas, institutions, responsibilities).

The latter can mean a number of things: multiscalar institutions (networks), spatially combined progress agendas, with a division of labour according to spatial reach and power constellations. What should always be avoided is local-level institutional dynamics that would completely conform to

| Figure 1. A working definition of social innovation. |
higher-level political decision-making and institutionalisation: we do not propose a Russian-dolls local development model, in which the little one in the dark centre is in a straitjacket formed by the outer dolls.

3. ALMOLIN as a Framework for Theoretical Discussions about Social Innovation

In the discussion geared to framing theoretically the alternative model(s) of local innovation (ALMOLIN), we have developed several themes, all referring to dynamics of social exclusion and inclusion, as well as social innovation processes. The interdependency between these themes—listed in the first column of Table 2—is shown in Figure 2. The thematic papers in this Special Topic cover several dimensions of these dynamics. Table 2 provides a matrix where the different themes analysed in the papers are crossed with the main dimensions derived from preliminary philosophical, theoretical and empirical discussions about ALMOLIN. Some of these links will be explained by use of illustrations in section 4.

As argued before, our model has been built from various sources, including theoretical inputs stemming from different social science literatures. In the contributions to this Special Topic, the role of the state, civil society, community and neighbourhood development and organisation, of the social economy, of economic democracy (participatory budgeting) and of participatory planning are critically surveyed and ‘mobilised’ or ‘reconstructed’ to improve our understanding of social innovation in local development in reaction to processes of alienation, exploitation and exclusion of different types.

3.1 Civil Society, the State and the Market

In recent years, there has been a proliferating body of scholarship that attempts to theorise and substantiate empirically the emergence of arrangements of governance that, while often still including or articulating with state institutions, engage in the act of governing and in articulating modes of organisation that operate outside and beyond-the-state, and give an important role to civil society (Mitchell, 2002; Jessop, 2002; Swyngedouw, 2000; Whitehead, 2003). It is not surprising, therefore, that the notion of civil society has gained greater currency, particularly with respect to its role in social innovation and its changing relationship to both state and market. In this issue, Swyngedouw maintains that this reorganised state–civil society–market relationship is related to the alleged shift from ‘government’ to ‘governance’. This rearticulation, in turn, has created new institutions and empowered new actors, while disempowering others. It is argued that this shift from ‘government’ to ‘governance’ and the rise of ‘social economy’ or ‘civil society’-based initiatives are closely related. The incorporation of civil society or social economy initiatives within the institutional frames of urban governance is associated with the consolidation of new technologies of government (Foucault, 1979) on the one hand, and an arguably profound restructuring of the parameters of political democracy on the other. From this perspective, Swyngedouw maintains that social innovation in governance through the emergence of new participatory technologies is fundamentally Janus-faced. While promising empowerment and satisfaction of basic needs as defined by the ALMOLIN model, it may equally harbour highly selective and exclusive mechanisms of governance and control.

3.2 Civil Society and Political Governance at the Local Level

Two papers in this issue are strongly related to the above theme, but more concerned with local action, and not entirely in agreement with Swyngedouw’s viewpoint. Gerometta, Häussermann and Longo develop a concept of civil society that relates explicitly to social exclusion and social integration processes and to social innovation at the local (urban, neighbourhood) level. Novy and Leubolt root their contribution in the model of budgetary participation launched in Port Alegre and today also influential in democratic
Table 2. Surveying theoretical elements useful for analysing social innovation dynamics, in relation to dynamics of inclusion and exclusion

<table>
<thead>
<tr>
<th>Dimensions of ALMOLIN</th>
<th>Civil society</th>
<th>Neighbourhoods—participatory budgeting</th>
<th>Sociological institutionalism</th>
<th>Social economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Territory, population and development/planning</td>
<td>Changing state–civil society relations have impact on territorial organisation and development</td>
<td>Social exclusion processes and segregated neighbourhoods, boundaries between social milieus</td>
<td>Social innovation not a predictable trajectory but a multifaceted search for mechanisms</td>
<td>Path-dependency and context sensitivity of social economy initiatives</td>
</tr>
<tr>
<td>Satisfaction of human needs—strategies to meet them</td>
<td>Civil society and neighbourhood networks Solidarity networks between privileged and deprived groups</td>
<td>Complementary arrangement between welfare state and civil society, associative democracy, social capital building</td>
<td>Involvement of non-traditional actors in governance who open up chances for innovation</td>
<td>Economic functions Social innovative development strategies</td>
</tr>
<tr>
<td>Resources for local social economy—human, organisational, financial</td>
<td>Shifting power geometries have impact on associational dynamics at various spatial scales</td>
<td>Mobilisation of creative and productive resources within civil society</td>
<td>Governance network resources may help to mobilise initiatives, if have appropriate qualities</td>
<td>Funding mechanisms (public/private) Temporalities and their impact on resource availability</td>
</tr>
<tr>
<td>Organisational and institutional dynamics—civil society</td>
<td>Reordering of contours of governability</td>
<td>Reordering of governance structures as window of opportunity</td>
<td>Involvement on non-traditional actors in governance Challenge of established practices</td>
<td>Governance of local economy (social enterprise, neighbourhood)—allocation systems—associative economy</td>
</tr>
<tr>
<td>Local authorities and state</td>
<td>Rescaling of state as a consequence of crisis of state</td>
<td>Gatekeeper to local democratic processes, public resource allocation</td>
<td>Relationships between formal government actors and other critical actors—how to cultivate positive synergies</td>
<td>State as social entrepreneur? Role of third sector</td>
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<tr>
<td>Culture and identity</td>
<td>Institutional planning</td>
<td>Negotiation among cultures and identities</td>
<td>Shared identity a powerful resource for collective mobilisation but confrontation of deep cultural frames is a constraint for social innovation</td>
<td>Culture of economic solidarity/reciprocity</td>
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<tr>
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<td>Civil society and neighbourhoods</td>
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<tr>
<td>Views, visions,</td>
<td>Hybrid forms of government and governance</td>
<td>Public sphere should carry plural visions of governance</td>
<td>Recognition of plural visions and working out how they may interact</td>
<td>Integrated approach to satisfaction of human needs and innovation in governance relations in social economy</td>
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<td>models of social</td>
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<td>innovation from point of</td>
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<td>view of ALMOLIN</td>
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<tr>
<td>Constraints on development</td>
<td>Tensions between state–market–civil society</td>
<td>Social fragmentation and social exclusion may reproduce in civil society and governance</td>
<td>Local institutional histories and cultures can be empowering as well as disempowering</td>
<td>Budget constraints Norms set by market competition</td>
</tr>
<tr>
<td>Relations with</td>
<td>Rescaling of relations between civil society,</td>
<td>Structuring social forces are active on all larger spatial scales and add significantly to place-making</td>
<td>How multiple spatial scales are implicated in all levels of governance and how these may be negotiated</td>
<td>Multiscalar organisation with conflicting temporalities between agencies</td>
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<tr>
<td>‘outside world’—spatial</td>
<td>economy and state</td>
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<td>scales</td>
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<td>Methodological</td>
<td>Structural constructivism</td>
<td>Analyses of processes of change in governance</td>
<td>Holistic definition and theory</td>
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<td>reflections</td>
<td>Local–global tensions</td>
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</tbody>
</table>
Figure 2. Dynamics of social exclusion/inclusion and social innovation.
participation in public budgeting in other cities. Using a critical perspective on bourgeois civil society approaches, the authors reconstruct the linkages between social movements and state functions—instead of adhering to the semi-autonomous governance interpretation of civil society organisations.

For Gerometta, Häusermann and Longo, the starting-point for ‘Social innovation and civil society in urban governance’ is urban social exclusion processes and social fragmentation in European cities in the context of changing welfare state arrangements in the transition to post-Fordism. These processes lead to a spatial pattern of social segregation and culminate in distressed neighbourhoods where social problems concentrate and which then affect the city as a whole (Häusermann et al., 2004). A multidimensional model of social exclusion is sketched out, highlighting social affiliation (integration into social and labour market relations), as well as material, political and cultural participation.

Civil society and the dynamics therein are then extracted from debates in planning theory, social science and political science. While there are strong expectations of the socially innovative capacity of this sphere of social organisation, the conditions under which cohesive and inclusive practices develop within or involving civil society are matters of debate. Forms of participation and identity politics that are ignorant of lines of social exclusion and fragmentation in society and civil society may lead to the reproduction or even deepening of the dividing lines between the integrated social groups and those excluded.

A growing body of literature in democracy theory deals with state–civil society arrangements in decision-making that normatively suggest growth of the associative sphere, in which general interest production is handed back more closely to the citizens in a pluralist model of associative democracy. This bears advantages in effectiveness (content dimension), empowerment and innovation in governance, but should be accompanied by a state which provides a framework against faction (Cohen and Rogers, 1992).

Contemporary incomplete welfare state arrangements face crisis because of individualisation processes in the household sphere and as a result of the second demographic transition, as well as labour market distortions. Civil society is in this debate seen as an additional sphere of welfare provision. It provides the necessary ties of solidarity among its members and in some manifestations of social economy based on these ties (Münkler, 2001).

A concept of civil society based on a Hegelian approach of legality, plurality and association is developed further, leaning towards a concept of civil society which is related explicitly to the crucial social exclusion and social integration processes and which makes use of social capital as well as social milieu approaches. The relations between the powerful and the marginal actors in civil society, which can be grasped using these concepts, are most relevant to social innovation processes in localities.

In their article Novy and Leubolt deal with the model of budgetary participation in Porto Alegre. Lessons for social innovation in Europe can be drawn from this concrete state initiative, which links civil society to the local state that is seeking to become more open. Social movements resisting the military dictatorship (1964–1982/89) were critical of both state and capital. However, in the 1980s, this critical interpretation of urban neighbourhood development movements gave way to a liberal interpretation. Against Gramsci’s intention (Gramsci, 1971), civil society was increasingly interpreted as the autonomous organisation of non-state-organisations. Thus, not only the core insights of critical state theory were abandoned, but at the same time the ingredients for liberal reform of the state structure were provided. Hence, local initiatives were interpreted in a narrow way and their innovative potential was not fully recognised. Therefore, a detailed analysis of urban neighbourhood movements in Brazil helps to gain a clear understanding of the nature of state and society, as well as the links between them. From the 1970s onwards, the popular movements demanded not only material improvements in what until then were deprived quarters, but also
far-reaching democratic participation (Novy, 2001). A strong political movement saw the light of day, consisting of the political parties that had again become legal as well as the already well-networked political movements. As a consequence, the day-to-day problems of the population were translated into public concerns and, from then on, into political demands to be satisfied by the local state (Avritzer, 2002).

In 1989, the Workers Party came into power in Porto Alegre and started the democratisation of local politics by way of participatory budgeting (Abers, 2000). This social innovation in governing is by now known world-wide. In their contribution, Novy and Leubolt seek to describe this model of civil participation, but also to provide an alternative interpretation of this political strategy. In opposition to conventional theory on a public sphere that would exist independently from state and market (Habermas, 1990), and built on governance by civil society, the authors argue that sustainable social innovation can only exist in a new form of statehood. The state remains the heart of political power and the starting-point for transformations challenging capitalism. Involving the people in the public state provides space to experiment with forms of self-administration, both authors argue.

3.3 Sociological Institutionalism and Planning

Sociological institutionalist approaches as developed in the fields of policy analysis and planning have been preoccupied with the institutional conditions that enable individuals and groups to generate sufficient capacity to act collectively and perform changes (Cars et al., 2002). González and Healey’s paper in this issue develops a methodological approach for assessing how the governance capacity for socially innovative action might emerge. Thus, it is more centred on the second and third meanings of social innovation as explained in section 2. Governance capacity in the urban context refers here to the ability of the institutional relations in a social milieu to operate as a collective actor. In the context of this Special Topic, our particular aim is to develop a capacity to recognise and promote socially innovative area development and to understand the extent to which governance initiatives from civil society ‘grassroots’ are able to grow and expand.

Innovative governance capacity is understood as being located in the practices through which governance relations are played out and not only in the formal rules and allocation of competences for collective action as defined by government laws and procedures. An attempt to identify potential for transformation thus needs to probe the governance relations that lead to a specific action and the relations which develop following a specific action. Critical innovations therefore change these relations in some way.

Innovative governance capacity also needs to be conceptualised as encompassing a range of levels of power and consciousness, from episodes of interaction to the deeper structuring of ways of enacting governance itself. When looking for socially innovative practices, analysts need to study deeper frames of reference and cultural practices which define how people make sense of their collective worlds and engage cognitively and bodily in their day-to-day routines (Hajer, 1995; Healey et al., 2003; Innes and Booher, 1999; Hillier, 2002).

González and Healey’s approach expands on arguments made by the urban social movements literature (Fainstein and Hirst, 1995; Mayer, 2000; Pickvance, 2003) to emphasise that initiatives with transformative potential need to be prepared to accumulate power in a diffuse governance landscape, consisting of multiple arenas constituted through episodes, processes and cultural movements which proceed within different time-scales. This is in line with Swyngedouw’s, Novy’s and Leubolt’s arguments in this issue that the state and civil society are intertwined. All governance initiatives, whatever their origin, are shaped by, and have the potential to change, the embedded cultures in which they are institutionally located. But state practices, although permeable and dynamic, are very difficult to transform because of their internal complexity.
and embedded power. Political practices and the policy cultures of different segments of a city council have typically formed over many years and, directly or unconsciously, defend and maintain established ‘business as usual’. Initiatives with the potential to promote more socially innovative governance practices therefore need to combine energetic efforts aimed at immediate targets with strategic attention to ways of affecting the wider governance culture and its multiscalar dynamics, while at the same time learning the dynamics of current governance processes.

Therefore, the authors hypothesise that socially innovative governance initiatives promoted by non-traditional actors and centred around area-based development projects are likely to have the greatest potential to expand and accumulate the power to transform established governance discourses and practices, where they have resonance with shifts in the dynamics of underlying governance cultures and where exogenous forces are also promoting parallel ideas and practices. Alone, even if they soften a boundary, as in the case referred to in this paper, their destiny is likely to be incorporation into an established ‘mainstream’ practice rather than transformation of dominant governance processes, with perhaps a few seeds left around in institutional memories and governance cultures for future transformers to build on.

### 3.4 Social Economy

Two papers in this issue deal with theoretical issues in social economy. The first by Moulaert and Ailenei examines the relation between theoretical analysis, social economy practice and its institutionalisation since the second half of the 19th century. Using a historical perspective, it seeks to create some clarity in the wealth of concepts referring to the social economy, the third sector, the non-profit activities, the solidarity economy, etc.

This historical perspective also helps in understanding how particular forms of social economy initiatives and their institutionalisation have responded—or failed to respond—to crisis mechanisms in particular epochs: the downswings during the industrial revolution, the global economic crisis of the 1920–1930s, the unemployment crisis of the 1970s and the crisis of the welfare state as of the 1980s (Bouchard et al., 2000). It explains how associations, co-operatives, solidarity networks (such as LETS), etc. arose amid circumstances of deprivation of human needs and filled lacunae in institutional forms to launch alternatives (co-operative organisation of the social firm, redistribution mechanisms, legal status of third-sector initiatives).

This survey shows the high relevance of connecting socially innovative dynamics in the economy (satisfaction of needs, diversity in economic allocation systems, egalitarian property relations and democratic economic governance) with dynamics of alienation and exclusion—probably one of the main dimensions of the ALMOLIN model. But these innovative dynamics were usually part of larger movements reacting to alienation and exclusion by building solidarity networks and socio-political mobilisation.

The second paper on social economy (Moulaert and Nussbaumer) is more methodologically oriented. It stresses the importance of working with a two-dimensional approach towards the definition of the social economy and its governance at the local level: an essentialist and a holistic approach. Essentialist definitions, although they often catch the essence of the mechanisms at work in the average social economy initiative, often miss historical and contextual specificity. As social economy initiatives consist of responses to historically and institutionally concrete situations, it is important to integrate these dimensions into the definition of social economy initiatives. As shown by old institutional economics (Commons, 1934/1961), for example, or holistic social analysis in general (Diesing, 1971), holistic definitions that seek to translate common themes (such as egalitarian property relations) into specific concepts and pattern models are better fitted to express these contextual dimensions of social economy initiatives. To do so, they compare themes and connections between them across a variety of experiences—in our
case, local social economies. But holistic definitions also directly address the need to connect different temporalities of agents and dynamics as they appear in the ALMOLIN model. Some of these are expressed in constraints on resources of different type—a major theme in the discussion on the sustainability of social economy initiatives. For example: to remain sustainable, many social economy initiatives depend on long-term funding by public–private partnerships. Unfortunately, the latter depend significantly on the temporality of political commitments, which is in general short term (duration of government, period between two elections). But social economy initiatives also live within the life-cycle of civil society, which may become exhausted because of social conflicts, political pressures, undercutting of income situation of leading figures, etc.

Each of the papers included in this issue stresses a particular angle and highlights a number of dimensions of social innovation dynamics. Table 2 summarises how theories on civil society, participation, sociological institutionalism, institutional planning and social economy can be mobilised to give substance to the various dimensions of ALMOLIN. The authors in the papers show several ways in which this can be done. For example, Gerometta, Häussermann and Longo show how decentralised governance dynamics provide opportunities to break through fragmentation dynamics in neighbourhood development; González and Healey show the need to combine energetic efforts aimed at immediate targets with strategic attention to ways of affecting the wider governance culture in its multiscalar dynamics, and so on.

4. ALMOLIN as a Framework for Case Study Analysis

Figure 2 synthesises the different elements from the ‘alternative model(s) of local innovation’ (ALMOLIN) and puts them into a dynamic perspective. Dynamics are identified in various ways: social forces calling for reactive social forces (social dialectics leading to social change and innovation), agency targeting institutional and structural change, but also individual and collective behaviour seeking to implement down-to-earth action agendas.

At the heart of Figure 2, there is on the one hand the dynamics of social exclusion and deprivation of human needs, which is (or ought to be) countered by social innovation dynamics. Social dynamics include reaction to deprivation and exclusion, organisation about a shared vision of change—often expressed in social movements—and reproduction of a culture of change based on pursuit of a new identity—rising out of the depths of humiliation and alienation. But there is no social innovation without public and private agencies seeking to overcome situations of exclusion; these agencies pursue strategies to mobilise resources within organisational and institutional dynamics, which they also seek to change. The figure does not show civil society or ‘grand’ political dynamics; these are included through path dependency and the institutional nature of spatial scales (neighbourhoods, localities, cities, regions . . .).

Time and space are shown in the margin of the figure; this does not mean that they would play a minor role, but that they affect or interfere with almost any of the other elements in the figure. They refer to the importance of ‘holistic’ definitions and theories of social exclusion/inclusion and social economy, which adopt a historical perspective and recognise spatial specificity.

Obviously, the boxes in Figure 2 use a macro-language. When applied in case study analysis, they will adopt a concrete content. It is particularly important to try to understand how, over time, organisations and initiatives have determined their particular social innovation content and neighbourhood development strategies in reaction to exclusion dynamics and situations of deprivation; how initiatives in the social economy were launched, agendas set, institutional dynamics promoted or hampered by . . . (for example, institutionalisation of civil society organisation vs power games of city hall; networking as an empowering strategy).
Let us focus a bit more on connections between several elements of the ALMOLIN figure, also referring to the role of the theoretical themes spelled out in section 3, or some of the case studies in SINGOCOM (Moulaert et al., 2005).

1. Processes of social exclusion and inclusion. They may play a particular role within localities or neighbourhoods; therefore, how these processes have articulated themselves at various spatial levels is relevant. Examples: immigration processes and reception/rejection of migrants in local community; complementarity vs reinforcement of contrast between civil society and welfare state. Questions about the role of migrants in civil society—and, for example, their relation to the bourgeoisie—are of particular relevance here. But if ethnicities become completely marginalised as in Butetown, Cardiff, their mobilisation can become exclusively defined in terms of their specific identities. One of the most remarkable observations in the SINGOCOM research is that social innovation is almost always a reaction against social exclusion and only in exceptional cases is it an improvement of a situation of inclusion or harmony among social groups.

2. Mobilisation, empowerment and power relations. These forces do not have an a priori ‘socially innovative’ impact or outcome. In reality, there will be (strong) antagonisms between movements for social inclusion and social exclusion, or in favour of the status quo. Example: local empowerment movements, occasionally in coalition with city hall, or neighbourhood councils, must counter mechanisms of social exclusion stemming from higher-level public authorities (such as cuts in social security spending, wage cuts, collective redundancies) or from conservative ‘bourgeoisie’ movements. Grassroots initiatives often play an important role here, since the more established movements may operate in an atmosphere of disbelief and lack of vision. Examples in SINGOCOM are the multiscalar networks of grassroots organisations built around the Centro Sociale Leoncavallo in Milan and in the Brussels progressive artists circles.

3. The dialectics between the satisfaction of human needs, the mobilisation of resources for the local social economy and the organisational as well as institutional dynamics of civil society. These include empowerment and are the thriving forces of many initiatives for social innovation. In all cases where alienation of basic needs was a fact, either structural social innovation or direct reliance on the welfare state was pursued. Sometimes the welfare state became a catalyst through which social innovation became acceptable to ‘the larger society’. Theories on the relationships between civil society and the state are helpful in understanding the various configurations which the relations between state and civil society may adopt (see Swyngedouw, Novy and Leubolt, Gerometta et al., in this issue).

4. Visions, movements and empowerment. Movements for change in all their forms and spatial scales (community committees, nation-wide civil society organisations, ‘alternative globalisation’ movements in Europe or at a wider scale) are at the core of the dynamics of social innovation. Visions may change through strategy and action; but they can also change as part of institutional transformations (visions not only as empowering but also as organisational movement cultures).

5. Path and context dependency. Very important here is the dynamic of ‘being driven by history and social context’. This is partly structural, partly institutional determination. Structural: community development in a ‘raw’ capitalist environment is a different challenge from that in a ‘welfare state’ or ‘mixed economy’ environment. Institutional: a long tradition of movement-driven changes in laws and public regulations; or more recently, private–public co-operation in local development will also point the direction of new future institution building and social innovation in governance relations. In this respect, institutional planning stresses the impact of local institutional histories and cultures which can be empowering as well as disempowering—the cases studies for Berlin and Vienna are very significant on these issues. However, social innovations can become institutional ‘lock ins’ at a later date, probably
involving the need for a repeated or continuous evaluation of the meaning of social innovation at a particular time, within a given territorial context—see, for example, the Antwerp case study.

6. **Re-ordering of domains of action and institution building between civil society, state and market sectors.** These dynamics are certainly directly related to those pointed out in 2–5. But there is also the role of the struggle and reorganisation within the state and (capitalist) market sectors themselves. And these ‘talk to’ the constraints on development. Many of them are real, some of them imaginary. Example: how gloomy is the imagining of the global? Does globalisation threaten the resources necessary to social economy development? The state plays an important role here: the space left by capital for non-market-economy-oriented social innovation is largely dependent on the interpretation the state gives to it—and on the state as an arena for class struggle. The extent to which the state maintains its independence vis-à-vis privatisation and deregulation movements is key to the definition of the action space of social innovators in various domains.

7. **Territorial specificity.** This is the final piece of a holistic definition of social innovation at the local level (see Moulaert and Nussbaumer, in this issue). The specificity of a local territory is not only defined by the factors identified by the dynamics pointed out previously, and by path dependency as well as context specificity; there is also the role of contingency and what we could call casual and micro-agency that occur in specific territories and, therefore, become constituents of the real character of the territory. Local leaders, charismatic leaders, traditions of economic solidarity, experience with public–private partnerships can ultimately determine the strength of local initiatives in defining their niche in a spatially broader institutional and economic space. Cases from SINGOCOM that are strongly suggestive regarding local specificity and their institutional dynamics are the Quartieri Spagnoli in Naples and Butetown in Cardiff.

5. **Conclusion**

Linking theories that shed light on the dynamics of social innovation in local development to specific experiences of resistance against social exclusion, movement dynamics and innovative emancipatory strategies is a significant leap ahead in the analysis of human development at the local level. The combination of institutional and strategy analysis allows for the mobilisation of the analysis of structural change towards a specific social innovation strategy. This scientific approach also prepares the ground for multidimensional approaches to human development, arguing in favour of economic variety in territorial development (Hillier et al., 2005). In this way, it provides a sound basis for overcoming the existential unilateralism in which territorial innovation models for local development such as the learning region or the *milieu innovateur* are rooted (Moulaert and Sekia, 2003).

However, this is not the end of the role of science in local renaissance. Obviously, case study work will be needed continuously to lead strategy and policy discussions about multidimensional territorial developments onto concrete tracks. But ahead of and alongside this on-going research, improvements are needed in the theoretical synthesis of social innovation dynamics. Even if the various contributions in sections 2 and 3 provide the elements for a concrete framework of empirical analysis, a more coherent confrontation and integration of elements stemming from different disciplines and theories is necessary. For example: what are the relationships between civil society and social economy development? The UK, Milano and Antwerp cases are quite powerful in showing these links—including contradictory forces between grassroots socioeconomic initiatives and conservative bourgeois forces and politics; but what does theory tell us? How does theory help towards a better understanding of and strategically underpinning such links? Theories (especially these covered by Swyngedouw and Novy and Leubolt) show the impossibility of analysing the role of civil society without defining its relationship to
the state, also at the local level (Novy and Leubolt, Gerometta et al.); combining this perspective with the analysis of the role of civil society in the reproduction of the social economy (Moulaert and Aïlenié, Moulaert and Nussbaumer) leads to the definition of several state roles in this: legal regulator, agent in public–private partnerships, protector of the logic of private capital, provider of resources for the reproduction of a variety groups in civil society (guarantor of social harmony, etc.). These different roles of the state need clearer analysis as to their relationships with civil society, articulated at various spatial scales, especially the local.

Further theoretical and empirical research is also needed with respect to the variables appearing in the strategic ‘margins’ of ALMOLIN in Figure 2—i.e. temporalities and constraints on development, especially with regard to the relations with the outside world. We will return to this in later publications and limit ourselves to mentioning two issues that urgently need deeper analysis.

The first is the conflict of temporalities between agencies. We have already referred to the different temporality of the political world, the social economy and the civil society movements from which social economy initiatives arise. This conflict may seriously disturb the reproduction of socially innovative initiatives. It is therefore relevant to analyse the factors of these differences and how they can be oriented towards a better time-convergence.

Secondly, there are constraints on development. Obviously, mismatch of temporalities is an example of constraints on the development. But there are clearly other constraints on development, such as those on human, organisational and financial resources for socially innovative initiatives. The nature of these constraints and mediators to overcome them seem to us a major focus of future scientific research of social innovation.

Note
1. For more information on SINGOCOM, see users.skynet.be/bk368453/singocom/index2.html.

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