

# Co-evolution of social enterprises and their environment



A multiple case-study of  
*Puur Lokaal* and *le Galline Felici*

Wageningen University  
May 2016

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## Summary

Social enterprises are increasingly being blessed for their innovative character, their financial independency and their societal impact (Verloop and Hillen 2013). The main difference with commercial enterprises is often caught in an ends/means distinction. Whereas commercial enterprises have profit generation as their primary objective, social enterprises use commercial principles only as a vehicle to reach the social objective which is primary to their business (Volkman et al. 2012). In Europe, there is a great diversity of the kind of societal problems that social enterprises address as well as the business models they develop to solve them. Till which extent do social enterprises steer their own development and till which extent their development path is merely a result of their environment?

This thesis studies the development of social enterprises in relationship to their environment. The environment includes partners from the social enterprise's direct environment (the business ecosystem) and the wider environment (e.g. the political, economic and socio-cultural environment). The main research question is: *How do relations evolve between a social enterprise and its environment?* Rather than explaining and predicting the inputs and outputs of social entrepreneurship, this study aims to describe and interpret how the development of entrepreneurship is constructed by the people from the social enterprise, using post-structuralism as a general approach. In addition, Actor Network Theory and Evolutionary Theory are applied as two theoretical lenses to shed light on the relationality of the social enterprise and their environment.

The multiple-case study design has been developed in line with the European research project EFSEIIS<sup>1</sup>, which aims to increase our understanding of how social enterprises evolve in different contexts in Europe. The Netherlands and Sicily were chosen as two contrasting environments for this study. After a pre-research in both regions in autumn 2015, I selected one social enterprise in each region: *Puur Lokaal* in the South-East of the Netherlands and *le Galline Felici* in East Sicily. The roots of both initiatives could be traced back to the end of the 1990s. Both *Puur Lokaal* and *le Galline Felici* aim to address problems from the current food system by developing a business in the direct marketing of agrarian products. In the winter of 2015-2016, I conducted fieldwork on those two social enterprises, using participative observation, qualitative open interviews and secondary data analysis as main methods.

### ***Development paths***

*Puur Lokaal* (in English: Pure Local) is a cooperative which aims to involve consumers in the supply of regional produce to the city. In addition, it employs people with a distance to the labour market and aim to be affordable for people with a small budget. In December 2014 in the city of Arnhem the first shop was opened, which is a mixture between the authenticity of a farm shop and the convenience of a supermarket. When enough funding was attracted and the shop was considered successful, the decision was made to enlarge this shop as well as to develop a restaurant and farm yard on the same location. The plan for the future is to reproduce this concept at different locations.

The idea for *Puur Lokaal* came from the social entrepreneur Gerard Titulaer who has been working on initiatives re-connecting consumers and producers in the Netherlands for three decades already. The mother organization of *Puur Lokaal* is the association *Landwaard*, which started in 2007 and was a continuation of open days on farms around the cities Nijmegen and Arnhem which were initiated in

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<sup>1</sup> EFSEIIS is an acronym for: Enabling the Flourishing of Social Entrepreneurship for Innovative and Inclusive Societies

2000. Since then Landwaard has operated as an incubator of initiatives in the field of healthy, regional and fair food in South East Netherland. With Landwaard as their mother organization. Puur Lokaal has access to a large network of farmers. Besides Landwaard, Puur Lokaal has many partners, such as a care institution, two housing organizations, a green investor and a NGO, who provided advice in the first phase of realization of the social enterprise (from 2013 to 2016).

Le Galline Felici (in English: the happy hens) is a consortium of organic farmers in Eastern Sicily which sell their products directly to self-organized consumer groups in North Italy, France, Belgium, Austria and the Netherlands. The consortium aims to sustain farmers in Sicily by commercializing the products of their members and create a common organization of transport, preservation, packaging, shipment, business and administration. In addition, they aim to develop an alternative economic network based on personal contact and solidarity values in order to create resilient communities across Europe.

It all started with Roberto li Calzi, an organic farmer who was feeling desperate because the Sicilian traders offered too low prices to survive as a small farmer. In 2001 he started to sell his citrus fruits directly to several Gruppo Acquisto Solidale (GAS) in the Northern part of Italy. GAS are local groups of consumers who buy their food directly from producers based on principles of solidarity. When the demand for his oranges rose, he asked several farmers friends to join with the direct supply to GAS. In 2008 this informal trade was transferred in the legal entity of a consortium in which supplying farmers could become a member. In the following years, they expanded their sales to other countries and became increasingly involved in social projects and social business platforms. In 2014, the consortium decided to move to a bigger warehouse which enabled more standardization in the preparation of orders.

### ***Relations with direct environment***

In the history of both Puur Lokaal and le Galline Felici, many actors have been involved. Looking from the eyes of the social entrepreneur, some actors are seen as part of the social enterprise while some actors are seen as part of their ecosystem. Gerard Titulaer from Puur Lokaal describes the people who are part of the social enterprise as guards, makers or executors of the core-story. New actors who got integrated in the social enterprise were primarily selected based on their local network and/or local expertise. Roberto li Calzi from le Galline Felici views le Galline Felici as a community in which founders, members & workers and friends can be distinguished. New actors who enter the social enterprise were primarily selected based on confidential relationships, which required the presences of family ties or years of acquaintance.

For both enterprises it can be observed that partners from their direct environment (the business ecosystem) are also partly integrated in the social enterprise. In the case of Puur Lokaal there are some organizations who provide advice about its development and are considered as stakeholders of Puur Lokaal. However, at the same time these organizations are a seen as (potential) business partners of the social enterprise. For le Galline Felici some consumer representatives are considered as part of the community of le Galline Felici while at the same time they are considered as trading partners of the consortium. In addition, both social enterprises in their history have increasingly influenced the kind of relationships with partners of their ecosystem. During the preparations for the re-start, Puur Lokaal was increasingly looking for multiple partners from each domain (e.g. multiple care organizations) in order to remain a flexible work organization. In the history of le Galline Felici, the formation of consumer groups and the bundling of orders has actively been stimulated in order to increase efficiency and stimulate self-organization in society.

### ***Relations with the wider environment***

The identity of both social enterprises is constructed in relation to actors from the conventional food chain and can thus be seen as relational. Both Puur Lokaal and le Galline Felici have the mission to transform the food system by solving the problem of disconnection which exist between consumers and producers. The business model of Puur Lokaal is based on an integral approach which is caught in the green pillar, the social pillar and the pillar of participation in their business plan. The people from Puur Lokaal emphasized the need for a core-story which is simple and attractive to consumers, financiers and other businesses. The business model of le Galline Felici is based on solidarity values and an organic mind set, which are considered as lost in the conventional supply chain. The people from le Galline Felici stressed the need for everyday practices in which community members learn to care for each other and their natural environment. In terms of organizational style, Puur Lokaal is described as a concept which should multipliable in other locations, whereas the consortium le Galline Felici is described as very unique and therefore impossible to multiply.

In order to legitimize their business model and organizational style, the people from both social enterprises have to constantly react to dominant ideas in their wider environment. In the Dutch business culture in which the discourse of “positioning” is dominant. Dutch supermarkets have strong marketing and communication practices which are focused on price and convenience. The people from Puur Lokaal react on this by putting a lot of energy into developing a consistent marketing and communication strategy to consumers to emphasize their added value in relation to mainstream supermarkets. Although le Galline Felici is located in Sicily, increasingly it has become embedded in the European solidarity economy which is taking place in different niches across Europe. In the solidarity economy the discourse “small is beautiful” is dominant. By means of constant dialogue with customers and social projects which are promoting the solidarity economy, the people from the consortium aim to convince their environment -(potential) actors in the European solidarity economy- of the added value of the consortium relative to trade with individual farmers or conventional traders.

### ***Discussion***

In the development of the social enterprise, actors from their environment play an important role, even if they are not directly involved in their daily business. To which extent is the development of the social enterprise dependent on their environment they are embedded in? In the discussion of this thesis I drew connections between the development of activities, network creation and identity construction by Puur Lokaal and le Galline Felici. Evolutionary concepts were applied to both social enterprises to show how they address social needs, adopt and modify certain legal, organizational forms & business models and how they act in order to survive in their environment. I argued that while the identity of a social enterprise is constructed relative to their wider environment and needs to be constantly legitimized, during their development social enterprises increasingly create their own network in order to become less dependent on their environment.



## List of figures and tables

Table 1: Evolutionary evolutionary concepts and their application to the social enterprise .....	22
Table 2: List of initiatives visited in the Netherlands during the orientation period .....	26
Table 3: List of initiatives visited on Sicily during the orientation period .....	27
Table 4: Basic information about the two case studies .....	29
Table 5: Connection between sub-research questions, analysis and categories of analysis .....	33
Table 6: Actors in the ecosystem of Puur Lokaal .....	47
Table 7: Actors in the ecosystem of le Galline Felici .....	56
Table 8: Evolutionary concepts applied to Puur Lokaal and le Galline Felici .....	85
Table 9: Evolutionary concepts applied to Puur Lokaal and le Galline Felici .....	86
Table 10: Evolutionary concepts applied to Puur Lokaal and le Galline Felici .....	87
Figure 1: Visualization of the social enterprise, the ecosystem and the wider environment.....	24
Figure 2: Landscape of civic food networks in Sicily and the Netherlands based on two continuums	27
Figure 3: Location Puur Lokaal and le Galline Felici in landscape of civic food networks.....	28
Figure 4: Relative location of Oosterbeek and Arnhem .....	34
Figure 5: Location Gelderland province in the Netherlands .....	34
Figure 6: Relative locations of Piano Tavola and Catania.....	36
Figure 7: Location Catania province in Italy .....	36
Figure 8: Focus on the social enterprise embedded in their ecosystem.....	39
Figure 9: The time-line of the pre-history of Puur Lokaal .....	41
Figure 10: The different phases of Puur Lokaal.....	42
Figure 11: People within the three different groups of Puur Lokaal in each phase.....	44
Figure 12: The time-line of the pre-history of le Galline Felici.....	51
Figure 13: The time-line of the commercial and the social route of le Galline Felici.....	52
Figure 14: The three groups of the growing community of le Galline Felici .....	53
Figure 15: Focus on the social enterprise embedded in their wider environment.....	62
Figure 16: The pyramid of Foodlov .....	65
Figure 17: Linette’s visualisation of Puur Lokaal into two layers .....	67
Figure 18: Visualization of the logic of quick market establishment .....	70
Figure 19: The little sweet revolution as terminology .....	75
Figure 20: Roberto’s visualization of the “growing community” .....	76

# Table of contents

<b>Acknowledgements</b> .....	4
<b>Summary</b> .....	5
<b>List of figures and tables</b> .....	8
<b>Table of contents</b> .....	9
<b>1. Introduction</b> .....	11
<b>1.1 Problem statement</b> .....	14
<b>1.2 Connection to European research project EFESIIS</b> .....	14
<b>1.3 Research objective and research questions</b> .....	15
<b>1.4 Structure of this report</b> .....	16
<b>2. Theoretical framework</b> .....	17
<b>2.1 Social constructionism and post-structuralism</b> .....	17
<b>2.2 Actor-network theory</b> .....	19
<b>3. Research methodology</b> .....	25
<b>3.1 Study design: multiple-case study</b> .....	25
<b>3.2 Research in chronological sequence</b> .....	26
3.2.1. The first orientation to the field.....	26
3.2.2. Case selection.....	28
3.2.3. Main fieldwork period.....	29
3.2.4. Analysis.....	32
<b>3.3 Case description and study areas</b> .....	34
3.3.1. Puur Lokaal .....	34
3.3.2. Le Galline Felici .....	36
<b>4. The social enterprise as a network and an actor</b> .....	39
4.1 Puur Lokaal as a network and an actor .....	40
4.2 Le Galline Felici as a network and an actor .....	50
4.3 Discussion .....	59
<b>5. The relational meaning of the social enterprise</b> .....	62
5.1 the relational meaning of Puur Lokaal .....	63
5.2 The relational meaning of le Galline Felici .....	72
5.3 Discussion .....	81
<b>6. Discussion</b> .....	84
<b>7. Conclusion</b> .....	89
<b>References</b> .....	93

<b>Appendix A: List of initiatives in the Netherlands</b> .....	96
<b>Appendix B: List of initiatives in Sicily</b> .....	97
<b>Appendix C: Interview guides Puur Lokaal</b> .....	98
<b>Appendix D: Interview guides le Galline Felici</b> .....	101

# 1. Introduction

All around the world social enterprises are increasingly being blessed for their innovative character, their financial independency and their societal impact (Verloop and Hillen, 2013). The main difference with commercial enterprises is often caught in an ends/means distinction. Whereas commercial enterprises have profit generation as their primary objective, social enterprises use commercial principles only as a vehicle to reach the social objective which is primary to their business. As is stated by Volkmann et al. (2012, 8): “Social enterprises attempt to target unfulfilled social needs with (more or less) market-based approaches, aiming for sustainable solutions”.

Many old and new economic initiatives with social goals have received the label of “social enterprise”. A famous example is the Grameen Bank, established by Muhammad Yunus in Bangladesh in 1976. During his work with the rural poor in his country he recognized their desire to establish their own business. Through an innovative credit delivery system, he made microloans feasible for the rural poor (Volkmann et al., 2012: 5). This resulted in a business model of microfinance which was followed in many other countries and has by now provided over 200 million poor people access to financial services (Verloop and Hillen, 2013). Although the Grameen Bank is sometimes perceived as the mother of all social enterprises (e.g. by Verloop and Hillen, 2013), the bank only received the label of social enterprise many years after its foundation. Moreover, the bank was only taking the lead in promoting social entrepreneurship with their creation of the Global Social Business Summit in 2009, which became a key platform for social entrepreneurship worldwide (Grameen Bank Communications, n.d.)<sup>2</sup>.

It is since the beginning of the 21<sup>st</sup> century that the term “social enterprise” has started to get attention in the public discourse worldwide. Various global support organisations for social entrepreneurship, such as the Ashoka foundation, the Swab foundation and the Skoll foundation, have established themselves in the last decades. Academia has picked up social entrepreneurship as a research area from the end of the 1990s (Huybrechts and Alex, 2012). Also the European government has paid increasing attention to social enterprises in recent years, reflected in research projects such as the EMES project<sup>3</sup> and the Social Business Initiative.

However, the amount and diversity of social enterprises is not reflected by the legal categories for social enterprises which exist in Europe. There is no single legal form for social entrepreneurship across Europe. Some countries have adopted specific legal forms, like social cooperatives (type 1 and 2) in Italy (Biggeri et al. 2014). Other countries, like the Netherlands, have not yet adopted a legal form (During et al. 2014). Until now most forms of social entrepreneurship take place within other legal forms, such as cooperatives, non-profit organizations or businesses. Sometimes different legal forms are combined in a hybrid structure, such as combining a business with a cooperative structure. Moreover, some forms of social entrepreneurship are not registered at all. This makes it very difficult to quantify the size and scope of social entrepreneurship across countries (Huybrechts and Alex,

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<sup>2</sup> Social business and social enterprises are often used simultaneously. According to Huybrechts and Alex (2012) the way Yunus describes a social business is similar to their principles of a social enterprise, although his formulation of social business is much stricter (p. 37).

<sup>3</sup> The letters EMES stand for “EMergence des Entreprises Sociales en Europe”, which was the French title of a large research project carried out from 1996 through 2000 by the network. After this research project, the acronym EMES was retained when the network became a scientific association. See [www.emes.net](http://www.emes.net)

2012: 41).

Although social enterprises are partly hidden many of them evolve very quickly. What starts as a crazy idea or a badly organized bunch of people can grow out into a well-known social enterprise which manages to connect a lot of people and even changes conventional ideas and practices in the society at large. As the example of the Grameen bank shows, Muhammad Yunus' idea has not only contributed largely to the alleviation of poverty, it also changed conventional ideas about credit delivery to poor people. If we scientists manage to increase the understanding about the development of these innovative but fluid initiatives we have the potential to contribute to a better world. But how can we do justice to the diverse reality out there?

### ***Scientific discussions on social enterprises***

The body of literature in science has made many attempts to classify or identify the concepts of "social enterprises", "social entrepreneurship" and "social entrepreneur" (Huybrechts and Alex, 2012). However, many scientist perceive it as a difficult task to establish an agreed definition of social enterprises for several reasons. First of all, many authors stress that social entrepreneurship is a relatively new research area and paradigm forming still needs to take place (Volkman et al., 2012; Bacq and Janssen, 2011, Nichols, 2010). Secondly, several authors point at the divide between the American and European bodies of literature on social entrepreneurship, at least until 2005<sup>4</sup> (Defourny & Nyssens, 2009; Bacq & Janssen, 2011; Volkman et al., 2012). Thirdly, scientist disagree on the need for a single definition of social enterprises. While some scientist (e.g. Bacq and Janssen 2011) argue that a single definition will progress the new field of research) other scientist emphasize that definitional debates are highly influenced by different discourses (e.g. from civil society actors, government actors and business actors) that try to shape the field of social entrepreneurship rather than to capture the reality of the phenomena itself (Volkman et al., 2012; Dey and Steyaert, 2012).

Another key debate is how broad or narrow the definition of social enterprises might be (Huybrechts and Alex, 2012). Current conceptions range from extremely narrow (only including legal forms or not-for profit organizations) to extremely broad (including Corporate Social Responsibility and for-profit enterprises). When the definitions of social enterprises are too broadly formulated there is a risk that no general distinction between social and commercial enterprises can be made (Huybrechts and Alex, 2012, 34).

Many studies have attempted to distinguish commercial and social enterprises by either researching different features of the social entrepreneur or researching the common features of social entrepreneurship as opposed to commercial entrepreneurship (Bacq & Janssen, 2011). The sole focus on *the* individual entrepreneur (and its attributes) in previous studies is increasingly seen as a limitation as the involvement of many actors in the social enterprise has often been observed in practice (Huybrechts and Alex 2012, 42; Lindgren and Packendorff 2009: 33, Mair et al. 2012). In addition, a new discourse has been spreading through business schools from 2006-2007, which emphasizes that studying the dynamic character of social entrepreneurship gives more insights in

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<sup>4</sup> According to Defourny and Nyssens (2010) the European school of thought placed more emphasize on the social enterprise's autonomy, democratic economy, collective dynamics and governance. In contrast, the American school of thought in general payed more attention to the social enterprise's scale up, self-sufficiency, individual profiles of entrepreneurs and also has a wider conception of social enterprises, sometimes including public and for-profit organizations (Defourny and Nyssens 2010). However, both Defourny and Nyssens (2010) and Bacq & Janssen (2011) point at divergence within the American school and stress the overlap between the American and European school of thought.

social enterprises than studying the outcomes of it (Defourny and Nyssens 2010; Lindgren and Packendorff 2009). Therefore, many recent studies focused more on the process of social entrepreneurship (Huybrechts and Alex, 2012: 34). It implies that the enquiry will be more focused on the development than on the input and output of social entrepreneurship. However, both type of studies resulted in claims that social enterprise are a unique type of organization and claims about their relevance in the European society at large.

### ***Relevance of social enterprises***

The emergence of social enterprises could be connected to the prevalence of societal problems. According to Moulaert and Ailenei (2005), economic activities with a social purpose have existed at all times. If you look at the history, they argue, the rise of social entrepreneurship could be correlated with the occurrence of crises (e.g. the financial crises in the 1930s). Today Europe suffers from multiple crises, including the financial crises, the economic crisis, the employment crises, the ecological crises and the crises of the welfare state. Problems which arise from multiple crises could be seen as 'wicked problems' for which no easy solution exists and where there are a wide range of societal players with different interest involved (Kievit, 2011).

With the increase of wicked problems, the strict division between government, civil society and market<sup>5</sup> does not hold any more, since wicked problems often exists on the interface of the three spheres. It seems like none of these spheres can on its own solve the problems. For instance, governments do not always prove effective in providing social services like care. The privatization of care functions to the market has also proven to have adverse effects, such as inefficient organization structures, negative externalities, a block of information and imperfect price mechanisms (Kievit, 2011). There are also civil society organizations provide care functions, but they often lack financial stability to guarantee the long-term provision of those.

Social enterprise have the potential to address wicked problems, as they have a social primacy rather than profit generation as a first objective. "All definitions on social enterprises agree on the central focus on social or environmental outcomes that has primacy over profit maximization or other strategic considerations" (Volkman et al. 2012, 34). The sociality of social enterprises can refer to the social domain a social enterprise operates in, the use of social principles in the organizational process itself or in focus and measurement on social impact rather than financial returns (Huybrechts and Alex, 2012). Moreover, according to Mair et al. (2012) social entrepreneurs develop social entrepreneuring models in which they take into account a redefinition of the societal problem, an identification of target constituencies, a selection of the activities and justification of the proposed solution. Based on this, one would argue that social enterprises in comparison to commercial enterprises are in general more conscious about their impact on the society.

Defourny and Nyssens (2009) argue that the type of problems social enterprises address is largely determined by the geographic region they are imbedded in. When talking about the European context, they state: "emerging challenges by each country varied according to the specificities of different European models" (p. 2). Subsequently, they distinguish between four different European models which have different relationships between third sector organizations, the type of welfare state and public bodies. This approach suggest path dependency of social enterprises, referring to

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<sup>5</sup> Traditionally, academics have divided the society in three spheres: government, civil society and market. This theoretical distinction was over time adopted by the rest of society and became part of a dominant discourse. However, the distinction has always been merely theoretical since in practice each sphere overlapped.

the influence of institutional environment on the development of social entrepreneurship (During 2016).

### 1.1 Problem statement

In this thesis I will study the development of social enterprises in relationship to their environment. The main research question is: *How do relations evolve between a social enterprise and its environment?* There is a great diversity of the kind of societal problems social enterprises address as well as the business models they develop to address this. Considering the potential of social enterprises to create a positive impact on their environment as well as the potential dependency of their development on their environment, the ultimate question then is: till which extent do social enterprises influence their own development and till which extent their development path is merely a result of their environment?

Following Huybrechts and Alex (2012), I will define social enterprises as: market-oriented initiatives pursuing social aims in an innovative way. The authors also speak of the three “building blocks” of social entrepreneurship: social primacy, market orientation and innovation. The advantage of having these building blocks is that it distinguishes social entrepreneurship from other “new” and “social” economic activities (like the social economy, charities, SCR and sharing economy), while at the same time they are quite general and open, which allows to cover for the fluid and quickly developing character of social enterprises. Following most recent studies focusing on the process of social entrepreneurship (Volkman et al., 2012), when I refer to social enterprises I consider its continuous development where next to the social entrepreneur many other people are part of.

The environment in this study is also not pre-defined but seen from the eyes of the people of the social enterprise. As will be described in the methodology, the conceptualization of the environment has undergone major changes in the process of this thesis. The major reason for this was the fear to lose “the rain that falls in between the boxes” of different categorizations of the environment. Based on the fieldwork experience, I decided to make a distinction between direct relationships with other players from the business ecosystem and the wider (institutional) environment.

The scope of this research is Europe. The study design has been developed in line with the European EFESEIIS project. I conducted a qualitative and explorative research on two social enterprises who are embedded in different environments. As will be explained in the methodology, after a pre-research I chose two different case studies: “Puur Lokaal”, a food cooperative which has its first location in an urbanized area in the Netherlands and “le Galline Felici”, a farmer’s cooperative which has its home on the island of Sicily in Italy.

### 1.2 Connection to European research project EFESEIIS

This thesis is part of the European EFESEIIS project, which is named after its aim: **Enabling the Flourishing of Social Entrepreneurship for Innovative and Inclusive Societies**. This project takes place between 2014-2018 in 10 European countries and is financed by the European Commission. The European government wishes to improve the enabling environment for social entrepreneurship in order to create more innovative and inclusive societies. However, a common policy dilemma is: does a levelling playing field for social enterprises really improves the development of social enterprises? In other words: does one size fits all?

In Europe there is a tremendous diversity of social enterprises; both in terms of their history before they have been labelled as social enterprises as well as their unique development after that moment. One of the predicted outcomes of the EFESEIIS project is that policy makers at different levels could better understand how social enterprises evolve in different contexts in order to make more informative decisions about the creation of an enabling environment for social entrepreneurship.

The EFESEIIS research first of all aims to construct a theory that explains different developments of social entrepreneurship across Europe from a historical and co-evolutionary perspective. Secondly, it aims to identify macro-meso and micro conditions under which social enterprises “can contribute effectively and efficiently to build an inclusive and innovative society” (EFESEIIS communications, n.d.). The assumption of the research is that social enterprises are embedded in the local and global context through a wide range of different relationships. Thirdly, it aims to assess the features, needs, constraints of the new generation of social enterprises as well as assess its contribution to social innovation. These aims require first of all a qualitative and explorative approach, since they are more directed at understanding diversity between the countries than explaining common mechanisms of social entrepreneurship. In a later stage, comparison between the different cases will be made and also general features of social entrepreneurship in Europe will be identified.

My thesis primarily addressed the first and the second goal of the EFESEIIS project. I explored the co-evolution of the social enterprise and its environment over time and mapped which kind of relationships the social enterprise has with its environment. The multiple-case study as study design enabled me to see more diversity in terms of these relationships.

### **1.3 Research objective and research questions**

The objective of this research is to increase our understanding of the dialectical relationship of social enterprises with their environment. This is in line with many post-structuralist studies on social entrepreneurship who emphasize that the reality of social enterprises is not static but is being shaped by the interaction between many actors. However, much of this type of research into social enterprises have a lacked historical dimension (Sunley and Pinch 2012; Parkinson and Howorth 2007; Moulaert and Ailenei 2005). This research also looks at social entrepreneurship from a historical perspective. The assumption is that the social enterprise and their environment co-evolve and their interrelationship gets more complex over time.

As will be explained in the theoretical framework, I will combine Actor Network Theory with Evolutionary Theory. Actor Network Theory provides lenses to study the interrelatedness between actors and the way that boundaries of the social enterprise relative to their environment are created. Evolutionary Theory helps to see the relation between the social enterprises and their environment in a historical perspective, viewing the social enterprise as a new species which is trying to establish in the environment.

All the sub-research questions below are answered from the perspective of the people who are involved in the social enterprise. The boundaries of a social enterprise will be researched from the point of view of the social entrepreneur (see sub question 1). This will serve as a base to research the co-evolution of the social enterprise and the environment. Sub research question 2 concerns identity construction of the social enterprise in relation to their environment. The moment that relational identity gets enacted gives better insight into the co-evolution of the social enterprise with their environment. Therefore, sub research question 3 focuses on actions of the social enterprise which are being related to its changing environment.



### *Main question*

How do relations evolve between a social enterprise and its environment?

### *Sub questions*

- 1) What are the boundaries of the social enterprise according to the social entrepreneur?
- 2) How do people from the social enterprises talk about themselves in relation to their environment?
- 3) How do people from the social enterprises talk about their actions in relation to their environment?

## **1.4 Structure of this report**

This report is structured as follows. First of all, the theoretical framework explains post-structuralism as a general approach. In addition, Actor Network Theory and Evolutionary Theory are elaborated as two theoretical lenses. Secondly, the methodology chapter contains the study design and the different steps of my research in chronological sequence. In addition, the cases and case study areas are presented in this chapter. Thirdly, the first empirical chapter focuses on the social enterprise as an actor and a network. The cases of Puur Lokaal and le Galline Felici are first discussed separately after which they are compared in the discussion section. Fourthly, the second empirical chapter focuses on the relational meaning of social enterprises. Here again, the cases of Puur Lokaal and le Galline Felici are first addressed separately after which they are compared in the discussion. Fifthly, in the final discussion the findings of the two empirical chapters are synthesized and an answer to the main research question is given. Lastly, the conclusion discusses the limitations of my research, provides reflections on the theoretical framework & methodology and points at directions for future research.

## 2. Theoretical framework

Until now, most studies of (social) entrepreneurship either adopt a positivistic approach -whereby they maintain a rigid operationalization and focus on input/outputs of social enterprises- (Lindgren & Packendorff 2009) or use a case study approach without rigorous conceptual grounding -whereby practices and processes are studied in great detail but are not primarily studied through theoretical lenses (Sunley and Pinch 2012). Positivism leaves little openings for the “unexpected” to happen and misses invisible or hidden processes. In addition, it assumes that there are certain structures who decide human behaviour, while it sheds little light on the capacity of humans to change, remake or reconstruct these structures. On the other hand, a lack of theoretical foundation might risk that the empirical findings are not being transcended. Using theoretical foundations allows for a normative approach and guidelines which could ultimately enhance the social efficiency of social entrepreneurship (Moulaert and Ailenei 2005). In addition, it places particular phenomena in larger historical and/or societal processes, which opens up space to think about the role of social entrepreneurship in the current society.

The general approach of this study is post-structuralism. Post-structuralism is stream of social constructionism and is well suited to study social entrepreneurship from the perspective of people who are involved in the social enterprise. In my research questions this is analysed by studying the talk of the people from the social enterprise. In addition to talk, my research questions contain two other dimensions: co-evolution and relationality. These dimensions are grounded in two theoretical frames: actor-network theory and the evolutionary approach. The theoretical framework below includes a description of the general approach and the theoretical frames as well as the link between them. The text will also include the epistemological, ontological and ideological position of this study.

### 2.1 Social constructionism and post-structuralism

In order to look at the process of social entrepreneurship, this study uses social constructionism as a general approach. Just like gender is a social construction, the social enterprise can also be seen a social construction. The reality of social entrepreneurship is determined by cultural ideas of social enterprises in a specific place and specific time. These cultural ideas are not pre-given, but constantly change in interactional processes between people. Lindgren and Packendorff (2009: 30) describe the consequence of social constructionism on the view of reality:

Man and reality are thus seen as inseparable and ideas, thoughts and actions are thus the result of ongoing processes of interaction and interpretations between human beings. In these processes, language is also subjectively and inter-subjectively understood, negotiated and re-formulated.

In other words, the social constructionist view of reality (ontology) assumes that there is no fixed definition of social enterprises but that this is constantly defined and re-defined by people. By studying social entrepreneurship from a social constructionism perspective, narrow definitions of entrepreneurship are challenged. In structuralistic studies on entrepreneurship -see for example Tödtling & Wanzenböck (2003), Stewart and Roth (2007) and Åmo (2013)- the variables based on how to analyse entrepreneurship are pre-determined by scientists definitions (or: etic categories). In those types of studies no attention is being paid to the cultural ideas (or the emic categories) of entrepreneurship by the people who are studied.

By adopting social constructionism as a general approach, major attention will be given to emic categories while etic categories (scientific categories) are only loosely given. The social constructionist view of knowledge (epistemology) also sees knowledge as socially constructed.

Knowledge is not objective but are inter-subjective constructs created by the interaction between people, including scientists. According to Lindgren and Packendorff (2009) “knowledge about entrepreneurship is knowledge how individuals and collectives perceive, define, produce and re-produce entrepreneurial action in society” (p. 31). Instead of studying normative issues (e.g. the causes and consequences of social entrepreneurship), social constructionism aims at understanding the phenomena of social entrepreneurship (Lindgren and Packendorff 2009). Rather than explaining and predicting, the study is more focused on describing and interpreting how the reality is constructed by the people from the social enterprise.

Social constructionism exists of several sub streams: constructionism, ethnomethodology, symbolic interactionism and poststructuralism (Lingren and Packendorff, 2007). According to Cunliffe (2008) differences between these approaches can be found in the level of analysis (micro versus macro level) and the research interest (positive versus critical views, subjective versus inter-subjective). Post-structuralism is mainly concerned with the micro level and involves a critical view towards structuralist approaches. The main critique towards studies based on structuralism is that they are too deterministic, give too little room for agency and have a tendency to overreach the evidence (Caffee & Lemert, 2009).

In post-structuralism relatively much attention is given to micro discourses<sup>6</sup>. Within other social-constructionist ideas, often entrepreneurship is perceived as being enacted and performed according to hegemonic discourses. However, post-structuralism assumes that individuals are more than slaves of discourses and also “appropriate and re-write the discourse to make sense of their specific realities” (Parkinson and Howorth, 2008: 295-296). For example, Parkinson and Howorth (2008) gave attention to micro discourses of social entrepreneurship in the United Kingdom. Their study analysed the micro discourses of social entrepreneurs as opposed to the macro (or: hegemonic) discourse on social entrepreneurship. They combined quantitative and qualitative methods. The quantitative method they used was counting the different frequencies of the concepts and language used by social entrepreneurs in comparison to those used by commercial entrepreneurs and the average British corpus (using the British National Corpus database). The qualitative method they used was a content analysis on the kind of concepts used by social entrepreneurs and in which contexts. Similar to their approach, I will study how people from the social enterprise appropriate and re-write macro discourses of social entrepreneurship. However, rather than counting the frequencies of the concepts and languages used, I will adopt an entirely qualitative approach.

The main work of post-structuralism involves deconstruction of taken-for-granted categories. This often implies a political (or: ideological) dimension. For example, today, capitalism can be seen as a taken for granted category. Economic geographers Gibson-Graham (2008) argued that by studying capitalism as the dominant reality, alternative practices often came along as small, marginal and senseless. Therefore, she suggested us to conceive of economy as a wider sphere of life so that “the dominance of capitalism in any time or place became an open question rather than an initial presumption” (Gibson-Graham, 2008, 3). She uses a poststructuralist approach to the economy. The quote below marks her poststructuralist thinking:

Our goal as academics was still to understand the world in order to change it, but with a poststructuralist twist – to change our understanding *is* to change the world (Gibson-Graham, 2008, 3)

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<sup>6</sup> Discourses are ways of speaking that constructs reality and sets limits to what is possible. Therefore, as discourses are an integral part of everyday social life, they produce and re-produce knowledge and power.

Believing that no scientist is neutral, the question becomes which phenomena scientists want to give attention to and therefore which phenomena they want to support. This is when politics comes in. According to Gibson-Graham, scientists as ethical agents can choose to support alternative economic initiatives by writing about them (2008). They could even celebrate specific cases as powerful or meaningful phenomena. However, Gibson-Graham argues that while they want to enact positivity to celebrate specific community economies, they want to avoid making general principles about how the economy *should* be performed (Miller 2013). The very fact that I decided to study social enterprises and not commercial enterprises shows that I want to support them. This is the ideological position of my study.

In their post-structuralist project, Gibson-Graham (2000) views knowledge as multiple, contradictory and powerful (p. 2). According her, scientists are ethical agents who influence the reality by their inclusive or exclusive concepts and therefore should be aware of their textual power. This study will align to this thinking in two ways. First of all, I will reflect on my own role as a researcher. Secondly, I will obtain a critical notion on the theory development of entrepreneurship, because this effects general views of what is (social) entrepreneurship and what is not.

In the remaining part of this theoretical framework, the actor-network theory and evolutionary approach will be described. As will be explained, both theoretical frameworks fall under the umbrella of post-structuralism.

## 2.2 Actor-network theory

Actor-network theory (ANT) is developed by Latour (Latour 2005) amongst others, building on the work of Foucault. Foucault dismantled the radical distinction between autonomous subjects and passive objects which was created in the age of the Enlightenment (Verbeek 2009). He argued that humans are not autonomous but the product of power structures in the society. Latour, like Foucault, also opposed the distinction between objects and subjects (Verbeek 2009). However, unlike Foucault, Latour highlights the interrelatedness between objects and subjects, giving them equal analytical importance.

Actor-network theory “threat everything in the social and natural worlds as a continuously generated effect of the webs of relations within they are located” (Law 2009, 141). Any actor, whether it is human or non-human, only gets meaning in relationship to other actors in the network. Furthermore, the approach assumes that something becomes real only when it is enacted or performed.

Let me illustrate this by the example of riding a bike. A wheel only gets meaning when it is put together with other objects, so that they together form a bicycle. And *riding* a bicycle only gets meaning if there is also a human to ride on it. And this again depends on many “actors” which enable riding a bike, like roads, biking skills and cultural permission. All the bits that make up the bicycle and all the actors enabling the riding of it, make up the network of riding a bicycle.

According to Law (2009), the actor-network theory (ANT) is an empirical form of poststructuralism. Similar to the ontology of post-structuralism, ANT also takes into consideration that realities are often fluid and multiple. So riding a bike for one person could be different from writing a bike for the other person, as well as the meaning could differ per moment. ANT does not exclude scientific research, which too can be seen as stories enacting realities and versions of the world. This clearly links to the epistemological and political position of post-structuralism, which states that the social world, including scientific knowledge, is socially constructed and value-laden.

Although ANT has “theory” in its name, many practitioners warn for the risk of making abstractions of it, suggesting it should be mainly seen as an approach that is grounded in empirical cases (Law, 2009). There are, however, several key ideas in ANT of which I will discuss two below: the creation of boundaries and relational meaning.

### ***The creation of boundaries***

In ANT, dualisms like big and small erode as scale is seen as relational (Law, 2009). Since it is always possible to zoom in or zoom out further, any actor can be seen as a network in itself. Similarly, any network can be seen as an actor. When defining the boundaries of the social enterprise as an actor, there is therefore always an element of simplification or “blackboxing” (Law 2009, 147) involved. Blackboxing reduces the different actors within the social enterprise as one and therefore shapes the identity of the social enterprise. This drawing of boundaries of the social enterprise in fact an ongoing process which requires effort, as is nicely illustrated by Venturini (2010):

Actors are constantly striving to reduce the complexity of their interactions. [...] Simplifications are possible. Yet, every collective simplification needs work to be built and maintained. [...] From social insects to modern societies, enormous amounts of resources are constantly mobilized to preserve such boundaries. People and objects devote their existence to giving sense to in/out distinctions—ask prison guards, doormen, bouncers, walls, fences, barriers. (Venturini, 2010, 11) is

Research question 1 addresses how the social entrepreneur perceives and therefore shapes the boundaries of the social enterprise. By distinguishing between different groups within the social enterprises, I will show the network of elements which are presented as one actor to outsiders. So the creation of boundaries could be seen as a form of black-boxing in itself. This will increase the understanding of how differences are simplified in order produce a common identity or a common face. In chapter 1, attention will be given to the internal face of the social enterprise by showing differences between groups. Chapter 2 will address how internal differences are negotiated and shaped into one external face

### ***Relational meaning***

Applying the idea of ANT on the phenomena social entrepreneurship, a social enterprise only gets meaning when considered in relationship to other actors in their network. The assumption of my study is that the social enterprise and their environment are so interrelated that they cannot be understood without each other. Research question 2 addresses how people give meaning to the social enterprise in relationship to their environment. Thus, the identity construction is based on the image of the self (the social enterprise) and the image of the other (the environment).

The environment will be defined as all the actors which the social enterprise relate to, as will clarified further in the framework of the evolutionary approach. Actors in the social enterprise’s environment can be concrete or figural. The meaning of the social enterprise is related to concrete players of their environment, on which they depend for resources, for instance the exchange of finance with a bank or products and money with costumers. In addition, meaning of the social enterprise is developed in relation to more abstract constructs, like values, ideas or norms which are dominant in the environment. Talk about the environment often indirectly reveals the identity of the social enterprise. Descriptions of the environment could be appropriative recognized, oppositional recognized or silenced.

Approaching the social world as a network of interrelated actors, the development of the network cannot be seen as a linear and clear-cut path. If one actor changes, for instance when there are new

biking roads created at a certain place, this has an immediate impact on other actors in the network. As such, you can speak of a co-evolution of actors within their network. The idea of co-evolution is key to the evolutionary theory, to be described in the next section.

## 2.3 Evolutionary Theory

In the literature on social entrepreneurship, increasing emphasis is put on viewing this phenomena in historical perspective. Social enterprises are emerging from different motivations, often addressing a problem they are facing in their environment (Parkinson and Howorth, 2007; Bloom and Dees 2008). In addition, social entrepreneurs have diverse backgrounds which influence practices of social entrepreneurship, such as a cultural aversion of external loans by social entrepreneurs coming from the public sector (Sunley and Pinch, 2012). Also the innovations which many social enterprises bring about do not appear out of thin air but have a pre-history. As Moulaert and Ailenei (2005) argue: "social economy [of which social enterprises are a part of] is a permanent stream of inventions [...], but social innovations are often a reinterpretation or reproduction of already lived social relations but within new contexts" (p. 2049-2050).

Before the different initiatives get the label of "social enterprises", they have experienced multiple pathways. And also after they have been labelled as such, they are establishing in the economy in many different ways. Although social enterprises are dependent on the institutional settings of the economy and the society as a whole, they can also influence the society and be the beginning of social change (During 2016). In order to understand the different development trajectories of social enterprises, an evolutionary approach is taken in this study.

Evolutionary approaches in science emphasise the need to study phenomena in historical perspective in relationship to the environment in which they are embedded. The founding father of this approach is Darwin, who studied the development of species in their ecosystem. Darwin's evolutionary approach in its basis focuses on the interplay of new species and the enablement of the environment for those species.

Evolutionary approaches have not exclusively been used for a better understanding of the natural world. Ever since the establishment of Darwin's evolutionary theory, it has been applied to the social world as well. A well-known application is Social Darwinism, which is a theoretical stream which couples different human kinds or races to a single evolutionary path. This often includes the normative idea to create better humans. This approach assumes a linear development of species which is not in line with Darwin's idea of change which is coincidental and cannot be predicted. Moreover, during history Social Darwinism has been used to legitimize inequality between different groups of humans, which I consider unethical. I will therefore take distance from Social Darwinism in my study.

A recent effort to apply evolutionary theory to contemporary economic changes has been made by During (2016)<sup>7</sup>. In his theoretical proposal, During (2016) aims to link features of the evolutionary theory of Darwin to the ecosystem of our current economy. He perceives social enterprises as: "a new species of enterprise" and the economy as "a complex web of relationships". The emergence of new social enterprises here is seen parallel to the emergence of new species as described by Darwin:

On the very basic level evolutionary theory contains the idea that diversity due to mutation (genetic), to variation (phenotypes) and experience (epigenetic) can lead to new species if the environment

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<sup>7</sup> During (2016) developed an evolutionary theory on enterprising for the European EFESIIS project, aiming to give a theoretical account on the diversity and the evolutionary pathways of social enterprising

provides opportunities to create niches. ‘New species can emerge everywhere, but it’s the environment that select’ would be the pitch based on Darwin. (During, 2016: 1)

Thus, the evolutionary approach does not only help to see the historical development of social enterprises (“they emerge, they vary, they change their structure”), but also to shed light on their establishment in the economy (“they adopt to the economy as well as influence the economy”).

Another word for establishment is institutionalization, a process which social enterprises are getting an identity & recognition, and establish business models and legal forms. In Darwin’s evolutionary theory new species will arise only if sexual reproduction does not occur between two populations that share their ancestors. Applying this view on social enterprises, they yet cannot be seen as separate species since they could still be seen as varieties of profit or non-profit enterprises. According to During (2016), “there are no clear legal or organizational distinctions that inhibit a merge with a traditional company” (p. 3). However, he also argues that “the variation of what is called social enterprises is growing and therefore they are in a definite process of institutionalization” (p. 3).

There are several evolutionary concepts from the proposal of During (2016) which are useful to apply to my study (see table 1). Since I chose for the case-study as study design, I will only apply the concepts which concern the individual enterprise in relationship to their environment rather than the landscape of enterprises in relationship to their environment. First of all, there are concepts that concern the way social enterprises relate to socio-economic transitions (gradual geological change) and the way they address social needs (adaption). Secondly, there are concepts related to the form that social enterprise take: they could have a legal status (genotype), an organizational structure (phenotype) and expertise/a business model (epigenotype). Thirdly, there are concept referring to the way that social enterprise can change: they can change their legal structure (mutation), their organizational structure (variation), and business model (experience). Fourthly, there are concepts which describe the survival of the social enterprise: the economic viability of the social enterprise (fit) and the environmental pressures on organizational structures (selection).

**Table 1: evolutionary evolutionary concepts and their application to the social enterprise**

<b>Evolutionary concept</b>	<b>Application to social enterprise</b>
Gradual geological change	Socio-economic transitions
Adaptation	Ability to address changing social needs
Genotype	Legal status
Phenotype	Organizational structure
Epi-genotype	Business model/expertise
Mutation	Change in legal structure
Variation	Change organizational structure
Experience	Change of business model
Fit	Economically viable
Selection	Environmental pressures on organizational structures

From: During (2016)

The last point of clarification in application of the evolutionary approach to my study of social entrepreneurship is the operationalization of the concept “environment”. The idea of “environment” is normal within system theory to emphasize the idea of embeddedness. In biological terms, the environment is often called the ecosystem, emphasizing the web of relationships that species are in (e.g. relationships with solar radiation, soil organisms or moisture). The concept ecosystem puts the

relational aspect central and appeared to be a useful concept to describe the social environment as well.

In business literature, the concept ecosystem is widely applied (see figure 1), especially when it comes to the strategic thinking about the (future) position of enterprises. Zahra and Nambisan (2012) define the business ecosystem as: “a group of companies – and other entities including individuals too, perhaps- that interacts and shares a set of dependencies as it produces the goods, technologies and services customers need” ( p. 220). They point at the existence multiple kind of ecosystems based on different modes of competition and collaboration between players. According to them, next to entrepreneurial activities it is important that new ventures and established companies think strategically about the kind of ecosystem in which they are embedded in and how to further develop relationships with other players from those ecosystems (Zahra and Nambisan, 2012).

Also in the study of social entrepreneurship the idea of the “ecosystem” has become more prominent. For policy purposes, an ecosystem framework is useful to get more insight in how to improve the enabling conditions for social enterprises (TEPSIE 2014). However, the term ecosystem in this field usually has a slightly different meaning than is the case in business literature. Often the ecosystem is used to refer to the general environmental conditions that shape the development of social enterprises rather than the direct interaction with other entities. Sometimes this concerns a very general classification, as is the case with Bloom and Dees (2008), who distinguish between: politics and administrative structure, economics and markets, geography and infrastructure, culture and social fabric. Sometimes this is more specifically and address certain institutions which can be influenced by policy measures, as is done by a study of the European commission (Wilkinson, 2014). They distinguish between: policy framework, certification systems, marks & labels, legal framework, social (impact) investment markets, impact measurement & reporting systems, network & mutual support mechanisms, specialist business development services and support (Wilkinson, 2014: 19).

In my study, I will use the ecosystem such as applied in business literature according to the definition of Zahra and Nambisan (2012) and I will not use any of the above mentioned classifications used for policy purposes. The reason why I am doing this, is because the case study design enables me to zoom in into the direct relationships of social enterprises with players in their environment. This will include the institutional setting that these players create, such as the financial policy of banks. I will use the “wider environment” as a term to describe the general environmental conditions which only indirectly influence the social enterprise through institutions. For instance, national financial policy which influence the financial policy of specific banks. The wider environment will only be researched from the perspective of the people from the social enterprise and will therefore not be subject to an a-priori classification. Finally, the term “environment” will be concern all the actors of the social enterprise’s environment, thus compromising both the terms ecosystem and the wider environment. So, when answering my main research question a distinction will be made between relationships between the social enterprise and their ecosystem and relationships between the social enterprise and their wider environment (see figure 1).



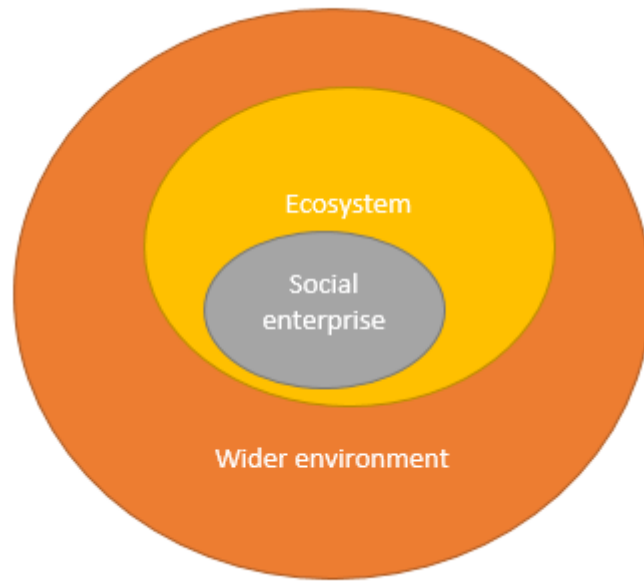


Figure 1: visualization of the social enterprise, the ecosystem and the wider environment

### 3. Research methodology

In the theoretical framework the idea of co-evolution of the social enterprise in relationship to its environment has been conceptualized. The social enterprise has been theorized as a social construction which is constantly being defined in the interaction between social actors. Therefore, the phenomenon “social entrepreneurship” has been operationalized very broadly and is merely seen as subject of study. In order to grasp the meaning of social entrepreneurship from the eyes of the people who are performing it, this study uses a qualitative methodological approach.

This methodology chapter aims to make clear how the phenomenon is studied and which choices are made in the research process. The chapter is divided as follows. Firstly, the study design will be described. Secondly, the different steps of my research will be discussed in chronological sequence. Thirdly, the case studies and study areas will be presented.

#### 3.1 Study design: multiple-case study

The study design of this research is a multiple-case study (Yin 2009). The choice for a case study arrived from the explorative nature of the research and my personal preference to study phenomena in an in-depth way. According to Yin (2009: 18), “a case study is an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between the phenomenon and context are not clearly evident”. This applies to the phenomenon “social entrepreneurship” and its relationship with its environment which is the inquiry of this thesis. The unit of analysis of the case study is the social enterprise. However, since this is not pre-defined I took the social entrepreneur as a starting point to discover the boundaries of the social enterprise.

The choice for a multiple case study was made to shed light on how the specific enabling environment in which social enterprises are embedded in are different across Europe. According to Yin (2009: 61), the research of contrasting cases will represent a stronger start to theoretical replication than single cases alone. In the introduction I have shown how different enabling environments could highlight different development trajectories of social enterprises in Europe. In addition, the comparison between the two cases of co-evolution will also have an added value for the understanding of the individual cases in their own right. Certain findings of co-evolution in one case could shed light on “hidden” or “taken for granted” dimensions of co-evolution in the other case.

This research studies two cases of social entrepreneurship in two different contexts: one in the city of Arnhem in the Netherlands and one on Eastern Sicily in Italy. Those two contexts can be seen as very different in many respects, for example in terms of legal organizational models, agricultural history and the history of the welfare state. These contrasting environments are chosen because in this way it is easier to discover how social enterprises potentially interact differently with their environment.

### 3.2 Research in chronological sequence

In this section, I will highlight the different steps of my research in chronological sequence. Firstly, I will show how I started with an orientation to the research areas Netherlands and Sicily. Secondly, I will provide a legitimization for the case study selection. Thirdly, the choices for the main fieldwork period will be discussed, including the study population, the methods and ethical issues. Fourthly, I will present how I have analyzed the data.

#### 3.2.1. The first orientation to the field

My initial focus was to search for initiatives signaling social entrepreneurship in the field of civic food networks<sup>8</sup>. The focus was deliberately formulated very broad as it could include both formal as more informal initiatives. In both the Netherlands and in Sicily I conducted a web-research after which I selected several initiatives to visit. The goal of this first orientation was twofold: to better understand the “landscape” of civic food networks in the two locations as well as to find a suitable case study in both sites.

As for the Netherlands, I made a list of initiatives in the sphere of food based on the membership list of “Social Enterprise NL” and previous personal encounters with initiatives (see Appendix X for the full list). Since I am from the Netherlands and have been interested in alternative food networks for a couple of years, I could relatively easy create an overview of the “landscape” of different initiatives. From the list I visited three different initiatives in October 2015: de Groenteclub, Rechtstreex and Puur Lokaal (see table 2 below).

**Table 2: list of initiatives visited in the Netherlands during the orientation period**

<b>Initiative</b>	<b>Date visit</b>	<b>Location visit</b>	<b>Contact person</b>
De Groenteclub	16/10/2015	Bussum	Mary Witteman
Rechtstreex	19/10/2015	Rotterdam	Esther Audier
Puur Lokaal	30/10/2015	Oosterbeek	Gerard Titulaer

Sicily was chosen as a research site since one of my supervisors, Roel During, had good contacts there with Mara Benaduzi and Rosario Sapienza from IMPACT hub. In contrast to the situation in the Netherlands, I was totally unfamiliar with the Sicilian context. Therefore I used the collective knowledge of IMPACT hub in Siracusa as an entry point to discover initiatives on Sicily. Based on this a list of initiatives was formed (see Appendix X). From 22/10/2015 until 29/10/2015 I went to Siracusa to do preliminary research. In addition to some formally arranged conversations (see table 2 below), I also spoke to the people of the IMPACT hub about life and agriculture in Sicily. This helped me to get a better understanding of how to locate the initiatives I encountered into the bigger “landscape” of civic food networks in Sicily.

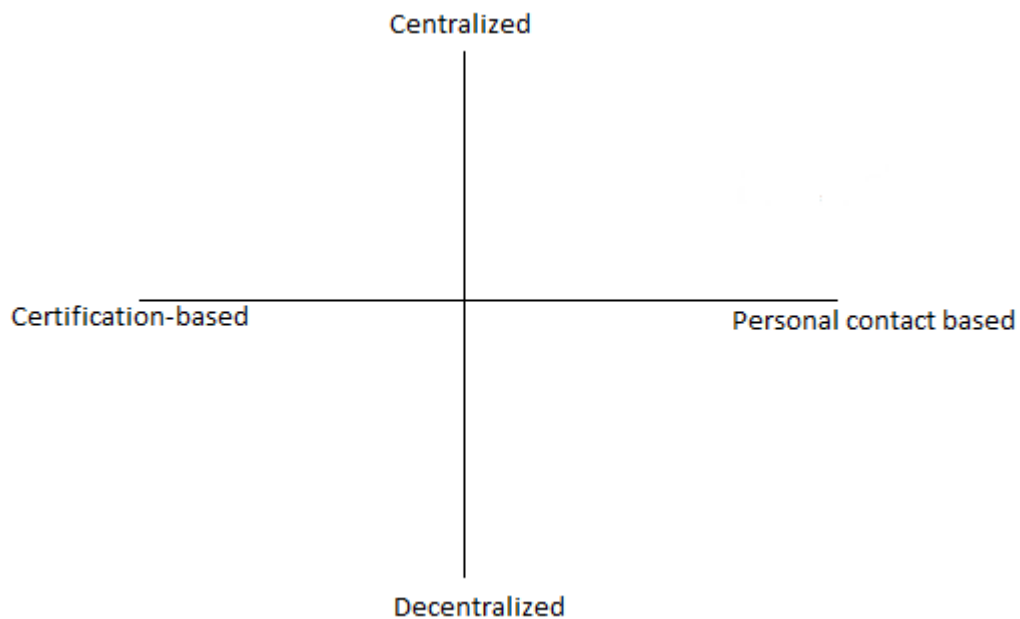
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<sup>8</sup> According to Renting et al. (2012), civic food networks are “new producer-consumer relations involved in wider networks with an important role for civil society and the (peri-) urban agriculture, often linked to other social movements and conceptual innovations” (Renting et al. 2002: 292-293)

**Table 3: list of initiatives visited on Sicily during the orientation period**

<b>Initiative</b>	<b>Date conversation</b>	<b>Location conversation</b>	<b>Contact person</b>
GAS (Gruppo Acquisto Solidale) Catania & GAP (Gruppo Acquisto Populaire) Catania	23/10/2015	Catania	Massimo Mingrino
Tri Que Trà Azienda Agricola	25/10/2015	Siracusa	Tomasso Ferrante
Limone di Siracusa	26/10/2015	Siracusa	Fabio Moschello
GAT (Gruppo Acquisto Temporale)	28/10/2015	Catania	Chiara Lissandrello
Le Galline Felici	27-28/10/2015	Augusta	Roberto li Calzi

This first orientation period helped me to get a clearer picture of the different kind of civic food networks in both locations. Even though in the two sites different concepts were used to classify different initiatives, I also noticed some similarities. In both sites, a continuum of centralized versus decentralized initiatives could be observed. In addition, on both sites initiatives could be placed on the continuum of certification versus personal contact based legitimacy.



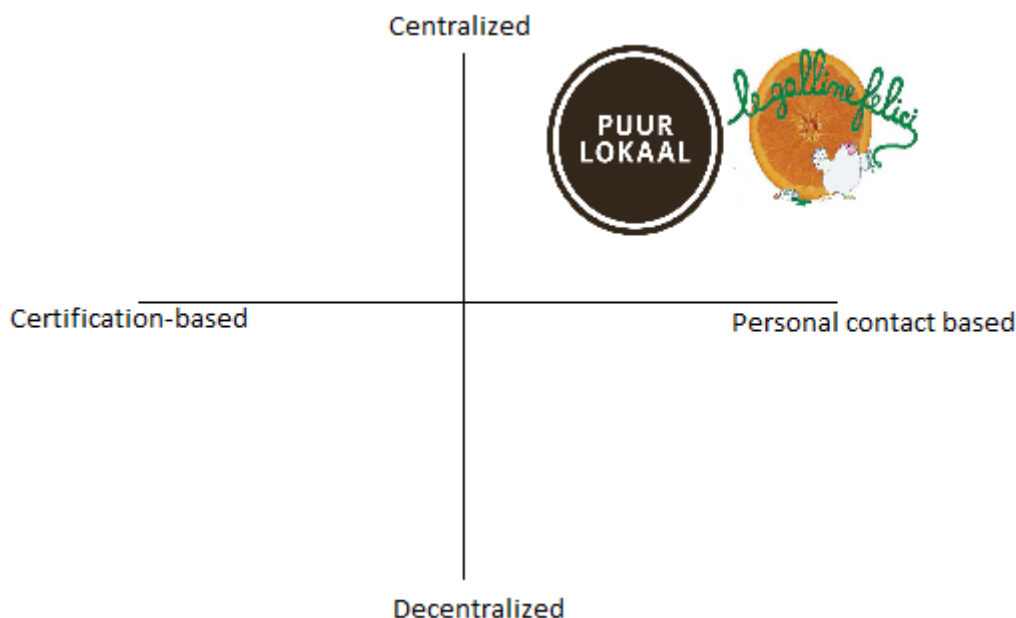
**Figure 2: landscape of civic food networks in Sicily and the Netherlands based on two continuums**

### 3.2.2. Case selection

For the case selection of the two cases I used three main criteria. Firstly, they had to be two cases of social entrepreneurship in civic food networks (CFNs). The focus on CFNs was entirely based on personal preference and the alignment to my MSc programme Organic Agriculture. Secondly, the cases had to be in two contrasting environments. The rationale for choosing contrasting environment has been explained above. Thirdly, both cases needed to have a similar year of origin. The latter is important since the time dimension (“development of social enterprise”) is key to my research.

In addition to those two main criteria, there were other considerations for case selection. Considering the scope of my master thesis period of 6 months, I could only afford to conduct fieldwork for approximately 5 weeks for each case. Therefore I searched for cases which seemed to have easy access in terms of the willingness of the organization to share information and opportunities for daily participant-observation. Moreover, my personal interest also played a role in making the final case selection.

In the end I chose to study Puur Lokaal in the Netherlands and Le Galline Felici on Sicily: two initiatives engaged in direct trade of sustainable agrarian products. Both cases and their study areas will be explained in more detail at the end of this methodology chapter. The roots of both initiatives could be traced back to the beginning of the 21<sup>st</sup> century. In addition, they were also some similarities which were found on an ad hoc basis (see table 4). First of all, in both initiatives farmers (oriented) organizations played a big role in their development. Secondly, in both cases the founder of the social enterprise is still actively involved in the current organization and can be considered the social entrepreneur. Thirdly, both initiatives are centrally organized through one key location and are aimed at stimulating personal contact between consumers and producers of agrarian products. Therefore, on the graph of CFNs presented above, they both could be placed in the right upper corner (see figure 3). Those similarities could potentially ease the comparison between the two cases, since a similar basic position gives more space to see potential contrast.



**Figure 3: location Puur Lokaal and le Galline Felici in landscape of civic food networks**

Throughout the study, both cases will consistently be called “social enterprises”. As become clear in the empirical chapter, they are not always called as such by the people who are involved in Puur Lokaal and le Galline Felici. However, following the building blocks of Volkmann et al (2012), they can be considered to have a social primacy, a market orientation and an innovative character, as will be become clearer in the empirical chapters. In the conclusion I will reflect upon the influence of the labelling of both initiatives as social enterprises.

**Table 4: basic information about the two case studies**

	<b>Puur Lokaal</b>	<b>Le Galline Felici</b>
Location	Arnhem, the Netherlands	Catania (Sicily), Italy
Founder	Gerard	Roberto
Driving actors	Farmers-oriented organizations (Landwaard and Oregional)	Farmers
Starting year movement	2000: first open day at farms	2001: first contact with consumer groups in Northern Italy
Key location	Office in Oosterbeek	Distribution centre in Catania
Objective	Re-connecting consumers and producers	Create an alternative chain of consumers and producers based on personal relationships

### 3.2.3. Main fieldwork period

For each case study a field work period of approximately 5 weeks was conducted. The fieldwork period for Puur Lokaal was from the 12<sup>th</sup> of November until the 17<sup>th</sup> of December. The fieldwork period for le Galline Felici took place from the 13<sup>th</sup> of January until the 12<sup>th</sup> of February. Below, the study population of both sites and the used methods are discussed followed by reflections on data triangulation and ethics.

#### **Study population**

In both cases I had already visited the founder of the organization during the first orientation period. Gerard (Puur Lokaal) and Roberto (le Galline Felici) functioned as “gate keepers” since they gave permission for my presence at their organization. I used them as central point to discover who else was considered part of the social enterprise and who were considered related to the social enterprise. By means of this “ego-centric” approach I could see the network of the social entrepreneur based on snowball sampling. Everyone I talked to from this study population, I considered as informants: “someone who is not only knowledgeable about his or her own culture but who is able and willing to communicate this knowledge in an understandable way to an anthropologist or some other outsider” (Cyborg Anthropology, 2011).

#### **Methods**

For the main field work period I proposed to use the following methods: participant observation, qualitative interviews, secondary data analysis and participatory learning exercises. This was

proposed in line with the case study guide of the EFSEIIS projects (see Benadusi and Sapienza, 2015). As I will be explained below, the first three methods were realized but the last proposed was cancelled due to time limits.

### **1. Participant observation**

One of the first things I did during the main fieldwork period was to ask for a task which I could do which was useful for the organization. For Puur Lokaal I could participate in drafting a plan for how to approach new suppliers, as well as to do web-research about the practices of other companies. For Le Galline Felici, I could help at the assembly line to select citrus fruits and help to translate some text to Dutch for their Dutch client. This type of emergence with the fieldwork site is also called “participant observation”. It enabled me to make observations while participating in the daily work. It also enabled me to have many casual conversations (those conversations which are not planned) with the people around. Moreover, my presence enabled me to attend meetings where I could observe naturally occurring discussions about the most pressing issues.

All of the information I gathered during this participant-observation (including information from observations, casual conversations, meetings and personal reflections) was written in field notes<sup>9</sup>. This information could be used in new interviews or conversations when asking clarifications or explanations. In addition, the participant-observation also helped to build up trust between with the people of the two cases. Pretty soon, the people got used to my presence and even started to approach me as “one of them”. It also helped me to get more feeling of how it is like to be part of the two organizations.

### **2. Qualitative interviews**

In total I conducted 3 interviews for Puur Lokaal and 3 interviews for Le Galline Felici. It were qualitative, open interviews which were conducted with an interview guide. The guides differed for each interviewee and were formulated on the basis of the person’s role in the social enterprise (see Appendix C and D for the interview guides.) When applicable I made use of coloured cards or a time line to visualize ideas. This stimulated the interviewees to brainstorm about the answers and not to stop with his/her first promptings.

The interviews were all recorded and transcribed successively. The line between an interview and a casual conversation was not always so clear cut. Sometimes I took notes during a conversation, but it did not feel like an interview since the conversation was not focused and not well prepared. Sometimes it had the setting of an interview, but I did not record it and therefore only had some field notes and my own memory to reconstruct the conversation. Therefore, I consider a conversation as an interview if an interview guide was prepared and if the conversation was taped and could be transcribed. All the other kind of conversations are considered as casual conversations.

### **3. Secondary data analysis**

The third method I used is secondary data analysis or in other words: the collection of documents. During the fieldwork period, I gathered documents of all sorts, such as power points, newspapers and contracts. Also webpages were treated as documents. This process of collection occurred quite naturally, as I came across them during my tasks or when people used it for meetings. Towards the end of the fieldwork period, I also asked for documents which were referred to in interviews or casual conversations. In this process no real selection criteria was used. Thus, the collected materials are only materials which had some importance to the informants of the two case studies.

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<sup>9</sup> For Puur Lokaal also some meetings were recorded and (partly) transcribed. For Le Galline Felici it was too difficult to transcribe meetings because of the language issue.

#### **4. Participatory workshop was cancelled**

The last method I intended to use was a participatory workshop. During a participatory workshop the researcher facilitates a group discussion with the help of visual methods. This results in content related output, it also provides the opportunity to observe group processes. In the first field work period at Puur Lokaal I arranged to do this workshop after a meeting with the partners of Puur Lokaal. However, the meeting ended later than anticipated and therefore it was decided to cancel my workshop. Therefore, I decided to leave the participatory workshop as a method and focused on the three other methods during the second fieldwork period at Le Galline Felici.

#### **Data triangulation**

The combination of data enables data triangulation and increases the reliability of the research (Boeije et al., 2009: 275). The three methods complemented each other in several ways. Firstly, the observations from participant-observation as well as the information from the documents were used as inputs for interview questions. Secondly, the re-occurring presence as participant-observant enabled the arrangement of interviews and the collection of documents which I could have missed if I would not have participated in the organisations. Thirdly, the three methods provided both naturally occurring data as well as data which was influenced by my presence as a researcher.

The documents were written independently from me and the discussed topics and the used language therefore were not influenced by my steering. The interviews, however, were steered by the interview questions as well as by the interview setting where the risk of reactivity (the interviewees tell and behave in way they think the interviewer finds acceptable) is high (Boeije et al., 2009: 276). The meetings which I attended felt somewhere in between the two former categories. Although my presence definitely changes the dynamics of the meetings (as would be true for any other extra person), in both cases I hardly talked during the meetings so I did not directly steered topics. Furthermore, for both cases I felt that the informants were quite used to external visitors of any age and gender.

#### **Ethical issues**

Like any research that involves people, the researcher should ask him/herself: *“What’s in it for the people?”*. In my research I deliberately took into account this ethical issue. First of all, during participant-observation I helped out with practical jobs. This allowed me to give something “back” to the organization, rather than being the type of researcher who only comes there to extract information like a parasite. Secondly, I accepted that the participatory workshop was cancelled as the people from Puur Lokaal gave priority to the meeting at that moment. Thirdly, I kept in touch with the people also after the fieldwork period was finished to inform them about the developments of my research. The summary attached to this report is especially written for the informants who showed an interest in the outcomes of this research but who have limited time to read it.

Throughout this report, the real names of the social entrepreneurs Gerard Titulaer (Puur Lokaal) and Roberto li Calzi (le Galline Felici), as well as the main informants Linette Mak (Puur Lokaal) and Barbara Piccioli (le Galline Felici) were used. For this individual permission was asked to of the four persons. The other names of informants are anonymized and only the role (e.g. worker, stakeholder) is given. Furthermore, it was decided to give the real name of the involved organizations of both cases. The reason for this decision is that for both the case of Puur Lokaal and le Galline Felici the relevant organizations are openly mentioned on their website and can thus be traced very easily.



### 3.2.4. Analysis

During my research I moved back and forth between theory and empirical data. This iterative process enabled me to reflect upon my theories and adapt my research questions. Major changes in the sub-research questions considered the definition of environment (from specific to open), the different kind of discourses/talk (from social versus economic discourses to identity versus operational talk) and the definition of the social enterprise (from multiple insider's definitions to the boundaries as viewed by the social entrepreneur). During the fieldwork period I analysed my data every week to check the relevance of it in the light of my research focus and to formulate new questions. This improved the internal validity of the research. After the fieldwork period I analysed the data more thoroughly in several stages. Below, I will describe the general focus of my analysis as well as the different type of analysis I used for which purposes.

In general, the analysis is directed at the way how informants produce their reality and on the context in which it is produced. It includes the researcher in the analysis, as they too speak and influence what is being said. The focus is on talk, both spoken words as written text, is central to the three type of analysis I have conducted. For the research questions, I made a distinction between different types of talk (see table 5 below)<sup>10</sup>. Firstly, a distinction is made between identity talk (sub-question 2) and action talk (sub-question 3). Identity talk occurs when people talk about themselves, in my case the social enterprise. Action talk occurs when people talk about their activities (this could be while performing them, but this is not necessary). This distinction helped to see the differences and similarities between what is espoused and what is enacted. In the course of my research, I decided to narrow action talk down into two categories which were both related to the environment: actions to influence the environment and reactions to a changing environment. Secondly, within identity talk, a distinction is made between self-talk and talk about the environment. Self-talk concerns values and images people speak out about themselves. Environment talk concerns values and images people speak out about their environment to which they embrace or oppose. Although environmental talk and self-talk in the first stage addressed two separated research questions, I decided to combine them into one research question because they are so interrelated.

In line with my main research question, I studied the three different levels of talk in a historical perspective. My analysis therefore also concerns historical inferences. Firstly, I considered how people talk about their changing activities, network and identity over time. This refers to conscious reflection. Secondly, I considered how people talk about time and change in general. This refers to more unconscious notions of change. If it becomes more clear what people consider as "change" or as "historical events", it becomes easier to analysis the historical development of the social enterprise from their eyes.

More specifically, I conducted three type of analyses: content analysis, membership categorization analysis and cultural domain analysis. Content analysis have been used to analyze the collected documents. The latter two analysis have been used to analyze the field notes and interview transcripts. Below, I will explain each analysis type and show how they are connected to the sub-research questions as summarized in table 5.

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<sup>10</sup> This distinction is based on discussions with my supervisor Chizu Sato and qualitative methodology teacher from the Wageningen Univeristy PA Peter Tamas

**Table 5: connection between sub-research questions, analysis and categories of analysis**

Sub-research question	Analysis	Categories of analysis
1. Boundaries from point of view social entrepreneur	Membership Categorization Analysis	Memberships and associated categories
2. Relational identity talk by people from social enterprise	Cultural Domain Analysis and Content Analysis	Self-talk and environmental talk
3. Relational action talk by people from social enterprise	Cultural Domain Analysis	Action talk (actions influencing environment and reactions to changing environment)

Membership categorization analysis (MCA) looks for the collection of membership categories and their associated activities (Baker, 1997) as presented in the talk of the people who are analyzed. Once these are located, it looks at the connections between them in terms of social action. For instance, a central category is primary school teacher. Associated activities could be: keeping order, teaching grammar, stimulating creativity or playing a role model. The connection between the primary school teacher and the activities could be: *is* or *should* or *should not* or *could*. MCA could show how the boundaries between the social enterprise and their ecosystem are set by the social entrepreneur historically (research question 1). Overlaps between memberships could indicate evolving relations between the social enterprise and their ecosystem.

Content analysis concerns the analysis of written text and the social context in which it is located. I did this in a structured manner by using a coding frame whereby every text must fit into code. This enabled me to make inferences between the kind of text and the producer and consumer of the text (Bauer, 2000). This analysis was mostly used for sub-research question four dealing with how people talk about their identity (research question 2), since most documents concerned external communication in which the communication of identity was central.

The cultural domain analysis concerns the search for core terms, folk terms and the relationships between them (Spradley, 1980). The core terms were based on the research questions and the first analysis of the data. The folk terms were “in-vovo” codes coming directly from the analyzed text (Boeije 2005, 92). Once I had this, I looked at the different levels within each cultural domain (including dimensions of contrast), so that it became a taxonomy. In order to stimulate to think in taxonomies, I asked contrasting questions to my data based on the initially formulated categories (Spradley, 1980).

I analysed the two cases simultaneously based on the different sub-questions. This stimulated consistency, but also revealed “hidden” or “covered” patterns by contrasting them. During the synthesis of my thesis I tried to supersede the native’s point of view and tried to look at the social enterprise and their environment from a more distanced perspective. By seeing the taxonomies for the two cases, I started to name different relations a social enterprise could have with its environment at different points of time. While doing this I drew on the work of During (2016) who proposes the application of evolutionary terms on the institutionalization process of social enterprises.

### 3.3 Case description and study areas

Below, I will give a description of the two cases studies and the two study areas. I will start with an introduction of Puur Lokaal and subsequently provide an overview of the relevant trends in the Netherlands. Then I will present Le Galline Felici and give an overview of the relevant trends in Italy, as well as provide some background information on Sicily.

#### 3.3.1. Puur Lokaal

Puur Lokaal (in English: Pure Local) is a new social enterprise with a history starting in the late 1990s. It is an organization which aims to supply regional produce directly to consumers in the city. The main business unit of Puur Lokaal is a shop which is a mixture between the authenticity of a farm shop and the convenience of a supermarket. In December 2014 the first shop was opened in het Dorp in the city of Arnhem. When enough funding was attracted and the shop was considered successful, the decision was made to enlarge this shop as well as to develop a restaurant and farm yard on the same location. This extended version of Puur Lokaal was opened in March 2016. The plan for the future is to reproduce this concept on different locations.

The idea for Puur Lokaal came from the social entrepreneur Gerard Titulaer who has been working on initiatives re-connecting consumers and producers in the Netherlands for three decades already. There have been many organizations involved in the realization of the idea Puur Lokaal. The mother organization of Puur Lokaal is the association Landwaard. Landwaard started in 2007 and was a continuation of open days on farms around Nijmegen and Arnhem which were initiated in 2000. Since then has operated as an incubator of initiatives in the field of healthy, regional and fair food in South East Netherland. Besides Landwaard, Puur Lokaal has many partners, such as a care institution, two housing organizations, a green investor and the NGO Cordaid, who provided advice in the first phase of realization of the social enterprise (from 2013 to 2016). In addition, it has close connection to start-ups earlier founded by Landwaard, such as farmers association Oregional.

During the fieldwork period (from 12/11/2015 to 17/12/2015), the major part of the activities for Puur Lokaal still took place in the office of Landwaard, situated in Oosterbeek. However, the first location of Puur Lokaal is situated in het Dorp in Arnhem, right next to Oosterbeek. Oosterbeek and Arnhem are located in Gelderland province in the South East of the Netherlands. Compared to the North-Western part of the Netherlands, the area is less populated and urbanized. Moreover, the province borders Germany, which enlarges the chances of international exchange between social enterprises and other actors in their environment. In addition to regional specifications, there are several national trends which might be relevant in the light of the social entrepreneurship.



Figure 4: location Gelderland province in the Netherlands

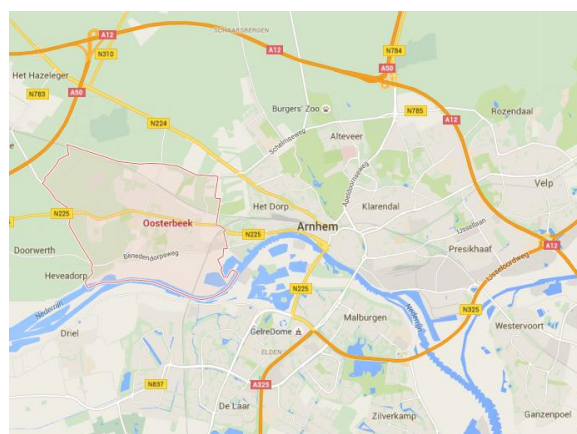


Figure 5: relative location of Oosterbeek and Arnhem

## Social entrepreneurship in the Netherlands

The Netherlands has a strong cooperative tradition, especially in agriculture where the majority of farms take part of a cooperative for decennia already (During et al. 2014). At the same time, in the Dutch society there has been a strong discourse of individuality and efficiency. By now, traditional agricultural cooperatives like the Rabobank and Friesland Campina have become so big and managed so centrally that the cooperative principles are often not experienced any more by their members (see e.g. Smit 2015).

Traditionally, many social tasks were performed by the government. The Netherlands was one of the countries, together with the Nordic countries, with the biggest welfare state in Europe. Since the welfare state became too expensive, from the 1990s a privatization process started in which tasks formerly assigned to the government were handed over to the market. However, by now there has been many criticism on this move, as privatization does not always provide the most social results. For instance, in the care sector there has been many complaints about “marketization” of the hospitals (Rummery and Fine 2012).

As a reaction on shortcomings of the welfare state, there has been a shift from the politics of the individual to the self-organization of the community (During et al. 2014). Citizens start to organize themselves around issues such as green spaces, care for elderly, poverty and very recently: refugees. Social enterprises respond to those developments, by starting the provision of good and/or services which were formerly mainly offered by the government. Work places for people with a distance to the labour market is such an example where social enterprises fill in a gap, a development which is largely supported by the government (During et al. 2014). At the same time, social entrepreneurship also develops largely independent of governmental developments, when social entrepreneurs start activities themselves based on social impact (During et al. 2014).

According to During et al. (2014), the main problems where social enterprises in the Netherlands currently have to cope with are a lack of adequate business models, limited access to capital, management of development issues and legislation issues. In the Netherlands, social enterprises often have to distinguish themselves from the bulk production, which is the dominant stream in many sectors. They have to do so by showing the consumer their value, for instance by emphasizing the quality of the product or the inclusiveness of their services. In addition, since there is no special legal category for social enterprises in the Netherlands, social entrepreneurship is not supported by special national legislation or excluded from bureaucratic requirements (During et al. 2014).

It is very recent that the term social enterprise has become integrated in the common language. In 2006 it was used for the first time in the media (During et al. 2014). Social Enterprise NL, founded in 2013, is a platform of social enterprises stimulating the development of the sector by means of advocacy and knowledge sharing. By the end of 2015 there were already more than 300 social enterprises member of this platform.

### 3.3.2. Le Galline Felici

Le Galline Felici (in English: the happy hens) are a group of organic farmers in Eastern Sicily who sell their agrarian products directly to consumers in the North of Italy, France, Belgium, Austria and the Netherlands. Their name is a metaphor for the freedom from the exploitations by traders in the conventional supply chain. By means of direct marketing, they aim to receive a fair price for their products and in this way sustain the livelihoods of many families.

It all started with Roberto li Calzi, an active farmer in the organic agriculture movement. In 2001 he started to sell his citrus fruits directly to several Gruppo Acquisto Solidale (GAS) in the Northern part of Italy. GAS are local groups of consumers who buy their directly from producers based on principles of solidarity. When the demand for his oranges rose, he asked several farmers friends to join with the direct supply to GAS. In 2008 this reality was transferred in the legal entity of a consortium in which supplying farmers could become a member. In 2014, the demand had grown so much that they decided to move to a new warehouse in an industrial area in Piano Tavola



Figure 6: location Catania province in Italy

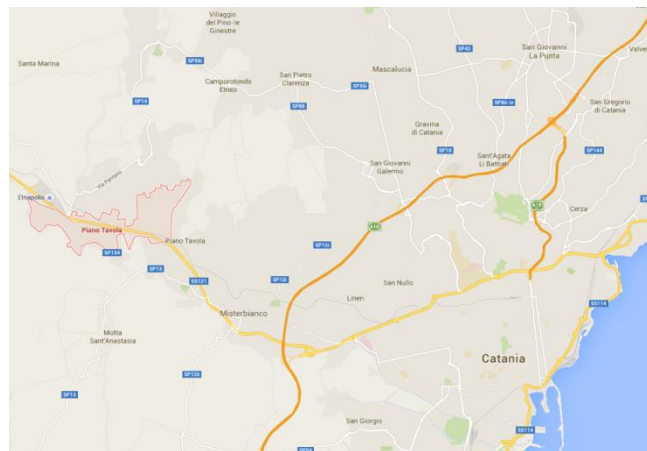


Figure 7: relative locations of Piano Tavola and Catania

The fieldwork took (from 13/1/2016 to 12/2/2016) place on the warehouse in Piano Tavola. In addition, several visits to farms were made in the region of Catania. Piano Tavola is located close to the city Catania, in the East of Sicily. Sicily is an island surrounded by the Mediterranean Sea, which causes relative isolation from mainland Italy. Before the Italian unification in 1860, Sicily's development took place largely independent from what we now call mainland Italy. For a large part of its history, the island has been predominated by many foreign rulers, such as the Greeks, Romans, Arabs, Normans and Spanish. These each left their influence on the island. Even after the unification Sicily still kept a certain autonomy from the central government. Therefore, in addition to several national trends, below also attention will be given to the history of Sicily in particular.

#### *Social entrepreneurship in Italy*

In Italy there has been a strong tradition of cooperatives. This development of cooperatives started in the 19<sup>th</sup> century and has adapted over time. In general, one could say that cooperatives are strongly influenced by prominent members of the government and the Catholic Church (Biggeri et al. 2014). In addition, Italy is known for strong family traditions and strong regional embeddedness. The government spending on public welfare is lower than North-Western European countries, such as the Netherlands. This gap has historically been filled by families, the church and cooperatives (Defourny

and Nyssens 2009).

Since 1991 there is a law on social cooperatives, which is applicable for most of the social enterprises (Biggeri et al. 2014). This is a new type of cooperative, as it addresses the broader need of society rather than the individual need of its members. The government created two legal types of social cooperatives:

- type A: social cooperatives who manage social, welfare and educational services
- type B: social cooperatives who provide employment for disadvantaged people

In 2005 and 2006, the broader law on social enterprises came into being, which for the first time recognizes the social enterprises who are not organized in a cooperative structure (Biggeri et al., 2014). However, unlike the law on social cooperatives, this law is not supported by fiscal advantages, which makes the benefits of adopting this legal title limited (Biggeri et al., 2014; Defourny and Nyssens 2009).

Despite their legal recognition, social enterprises have in recent years faced decreased public spending for social purposes, which results in less resources for social entrepreneurship than before. This development has led to new partnerships between social enterprises and third sector actors (such as banking foundations) and economic actors which are active in work reintegration (Biggeri et al., 2014: 19).

### *Social entrepreneurship in Sicily*

In the historical writings and literature about Sicily, the mafia often plays a major part. This has influences for the ideas of (social) entrepreneurship on the island. Below I will explain the origin of the mafia in Sicily from an agrarian perspective. Then I will show the dominant ideas of the mafia in relation to the state. Lastly, I will show the consequences of the stories about the Sicilian mafia on the ideas of (social) entrepreneurship in Sicily.

In terms of agriculture, Sicily has a history of feudalism, whereby big land lords controlled the major part of the agricultural land use. By the time of Italian reunification in 1860, a lot of landlords had moved to the big cities and became so-called absentee landlords who were indirectly ruling the countryside. As the reunification resulted in a power vacuum, the land lords felt the need to employ middlemen to govern their properties. These middlemen, such as guards, rentiers and all-round henchmen (Schneider and Schneider, 2006), were appointed to restore the order, often using violence or the threat of violence to achieve this. These middlemen were the predecessors of Mafiosi in Sicily. So, even though many of them eventually moved to the cities, the origin of the Sicilian mafia is often considered agrarian (Scheider and Schneider, 2006).

The mafia has been very determinant for the development of politics in Sicily, especially in West Sicily<sup>11</sup>. Many authors agree upon a dialectic relationship between the mafia and the state (Watss, 2016). For example, Blok's (1974) main point is that mafia and state formation are organically connected. He argues that although mafia misused the state, they were also engaged in mutual relationship of dependency with them. In 1950, for example, the Sicilian mafia organized electoral support for the National Christian Democratic Party, often referred to as the "wicked deal". In exchange for this, the mafia received relative immunity and permission to enter several new

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<sup>11</sup> In Eastern Sicily, there is less mafia when compared to the West of Sicily. One possible explanation for this could be the presence of a coherent and resident landed class who were hostile to the unified Italian state (Watss 2016, 85), a situation which didn't stimulate the important role as "middlemen" that much. Another reason is that most absentee landlords lived in Palermo (West Sicily), the center of wealth and power (Blok 1974), which causes mafia to be concentrated there.

domains, such as the administration of the land reform, urban produce markets, new house construction and public works (Schneider and Schneider 2006).

Since the term mafia originated from Sicily, the island is often associated with mafia practices. This influences images of social entrepreneurship on Sicily. Not only outsiders, but also the Sicilians themselves perceive the mafia as the reason for the lack of social entrepreneurial and cooperation spirit in Sicily. Moreover, the social entrepreneurship that exists is often linked to the anti-mafia movement which is often thought to be an externally imposed model (Schneider and Schneider, 2006).

Scheider and Schneider (2006) speak of the "myth of Sicily" whereby Sicilians are depicted as people who are "unable to solve problems, organized crime among them, through collective social action" (p. 504). In the same article, the authors also make a plea for plural cultures of Sicily. They argue that besides the mafia, also local artisans had a great influence on the rural population. The workshops of local artisans had served as little universities, enforcing rational thought and class consciousness amongst rural populations. According to the authors, these artisan universities had a big influence on the rise of the anti-mafia movement in Sicily. All in all, when speaking about the context of Sicily, it is important to take into account the role of the mafia but especially important to take into account the influences of the narratives about the mafia.

## 4. The social enterprise as a network and an actor

This section discusses the social enterprise as a network of actors and as an actor embedded in their direct network: the ecosystem (see figure 8). It takes into account the pre-history and the recent history of the social enterprise in order to reveal the evolving nature of networks. Furthermore, it touches upon the evolving relationships between the social enterprise and their ecosystem. First an account of the case Puur Lokaal is given. Second the case le Galline Felici is described. In the discussion part both cases will be compared in order to get more insight in the particularities of each social enterprise.

The analytical part of each account exists from two parts. Firstly, the boundaries of the social enterprise are discussed from the point of view of the social entrepreneur (research question 1). Which actors are considered part of the social enterprise and which are considered part of the ecosystem and how does this change over time? How are the boundaries of the social enterprise constructed? More insight in the (changing) boundaries of the social enterprise will function as the basis to research the co-evolvement between the social enterprise and their environment. Secondly, the predominant way the people from the social enterprise talk about their actions in relationship to their ecosystem (research question 3) are discussed. Which actions change interdependencies with players of the ecosystem and how do people from the social enterprise legitimize them? This information will highlight the evolving relation between the social enterprise and their ecosystem.

The first part is based on a membership categorization analysis of the conversations and interviews with the social entrepreneur. Conversations and interviews with other people from the social enterprise will be used to get more depth information about some of the identified key actors. The second part is based on a cultural domain analysis of how the people from the social enterprise talk about their actions in relationship to their environment.

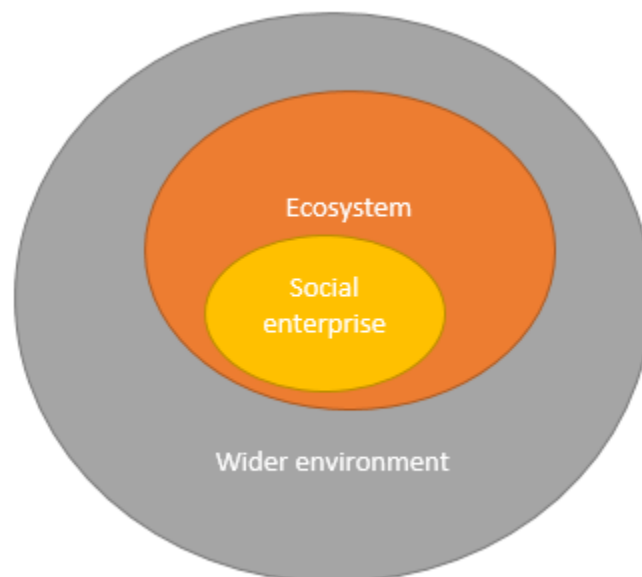


Figure 8: Focus on the social enterprise embedded in their ecosystem



## 4.1 Puur Lokaal as a network and an actor

This chapter starts with a short description of Gerard Titulaer (the main social entrepreneur) and his activities before he started Puur Lokaal. This provides a historical dimension which is needed to understand the concept Puur Lokaal. Subsequently, the development of Puur Lokaal will be described according to Gerard's classification. Taken this development into account, three different groups compromising Puur Lokaal are identified from the self-talk of Gerard: the guards, the makers and the executors of the core-story. Some examples of actors who are crossing boundaries will be given to highlight the fluent and relational nature of these groups. In addition, a description of the ecosystem is given from the point of view of the social entrepreneur. In the last part of the chapter it will be discussed how the people from Puur Lokaal talk about their actions to shape the ecosystem.

### *Description of Gerard Titulaer and pre-history of Puur Lokaal*

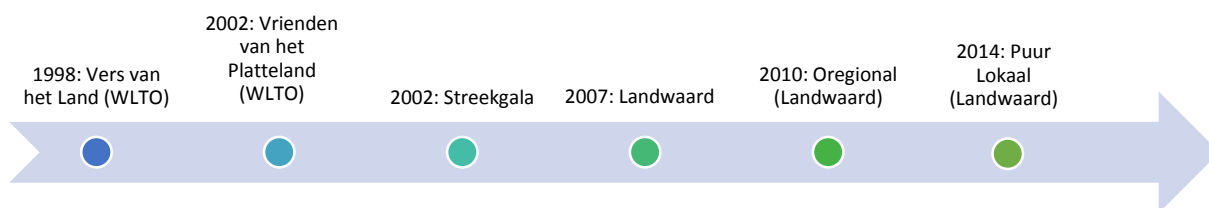
Gerard Titulaer is the founding father of Puur Lokaal and at the time of field research the main manager of the social enterprise. He invented the idea of direct supply of regional produce to consumers in the city, largely based on his previous experiences in initiatives (re-)connecting consumers and producers. His team members from Puur Lokaal describe him as visionary and ideological. He describes himself as an "initiator" and "someone who is good at get things going". In the implementation of projects he is less interested:

For the execution you need others. I can watch along as a board member, but I simply lost interest. I have been a director for 25 years at a regional organization. I have always had a lot of troubles with staff, and so on. (Gerard Titulaer)

For the largest part of his career he has worked for the Western department of the Dutch Agricultural and Horticultural Organization WLTO. With his position as a director he had been always involved in operational activities, while his key interest was to develop new projects. During his work at this organization, he got motivated to improve the position of farmers. The driving force for this is that at work he always got confronted with the marginalised position of farmers in the food supply chain:

There was a lot of discussion which always came down to the same thing: the side of the farmer is always the losing side. Farmers are no entrepreneurs. They have a weaker position. (Gerard Titulaer)

Gerard's approach to this discussion was fairly practical. He asked himself the question: "*what can we do to improve the position of the farmers?*" During his work for WLTO he became involved in different projects to improve the position of farmers, such as agrarian nature conservations and rural farm shops. But, according to him, these projects only offered partial solutions and did not fundamentally change the farmers' position in the food supply chain. He was constantly looking for new models which had real impact for farmers. Already in the 1990s he realized: the only way to improve the position of the farmer is to make a direct connection between producers to consumers (or: farmers and citizens). This realization made him develop several organizations, which can be seen as part of the pre-history of Puur Lokaal (see figure 9).



**Figure 9: the time-line of the pre-history of Puur Lokaal**

In 1998, while still working for WLTO, he started with an internet concept in Amsterdam, called “Vers van het Land”. Vers van het Land was meant to sell fresh products directly to consumers, but was cancelled at the last moment due to a lack of funding. Four years later Gerard was one of the initiators of the association “Vrienden van het Platteland” (friends of the countryside) which organized open days on farms all around the Netherlands. When Vrienden van het Platteland could not continue any more under the umbrella of LTO (the national Agricultural and Horticultural Organization), he started Landwaard.

The association Landwaard was founded in 2007, as a continuation of the association “Streekgala” which had been organizing yearly open farm days in Arnhem and Nijmegen (two cities located in the South-East of the Netherlands) since 2002. In addition to the organization of open farm days, Landwaard attracted funding for several other projects in the field of direct marketing of farm products, citizen’s consciousness of food production, sustainable tourism and regional nutrient cycles. Although the nature of the projects differed largely, they always aimed at connecting citizens to food and/or landscape in the South-Eastern region of the Netherlands. According to Linette Mak, the manager of Landwaard, their added value in projects are to transform ideas (of themselves or of their partners) into good concepts and to attract funding to make it realize. Being a board member of Landwaard and highly involved in the development of the organization, Gerard replaced his focus region from the West to the East of the Netherlands.

Now he became a pensioner Gerard could dedicate all his time to the development of concepts to improve the position of farmers. With Landwaard he was the driving force behind the start of Oregional in 2010: a farmers cooperation from the region of Arnhem/Nijmegen. Many of the 20 farmers that became a member were already participating in the yearly open days of Streekgala. Oregional supplies farmers products directly to hospitals and other institutes in the region. After the first year, Landwaard gradually withdrew her responsibilities towards Oregional, and tried to make the cooperative self-sufficient. Also in the development of Oregional, Gerard performed an advisory role as board member.

As Oregional focused on the business-to-business segment, the next step for Gerard was to develop a concept in the business-to-consumer segment. The idea to develop a business-to-consumer concept had been in his head already before Oregional was founded. However, due to the economic crises it took some time before Oregional was considered financially stable. Therefore, the start of Puur Lokaal was a little later than envisioned. In 2013 Landwaard, in cooperation with Oregional, conducted a feasibility study for a farm shop in the city.

All in all, the network and motivation of Gerard goes as a red thread through the development of Vers van het Land, Vrienden van het Platteland, Landwaard, Oregional and Puur Lokaal. Just like Vers van het Land en Vrienden van het Platteland were supported by the farmer association WLTO, Puur Lokaal and Oregional are initiated by Landwaard and supported in their first years. The incubation of

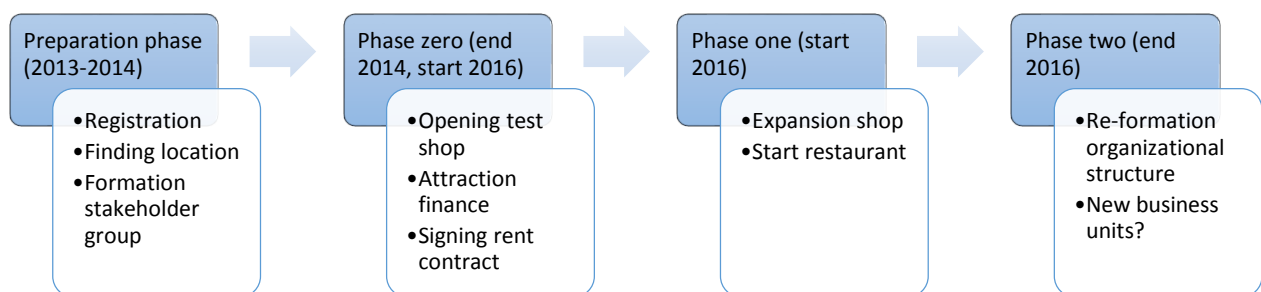
mother companies seems to be an important element in the pre-history of Puur Lokaal.

With Landwaard as their mother organization. Puur Lokaal has access to a large network of farmers. The main group of farmers in the network of Landwaard stems from the farmers participating in the open farm days of Streekgala. A lot of those farmers also became a member of the regional farmer's association Oregional. In addition, other projects and start-ups of Landwaard provided access to farmers in the region. This network of farmers could therefore be easily approached as potential suppliers to Puur Lokaal. Thus, the network of farmers can be seen as another red thread in the more recent pre-history of Puur Lokaal.

### *The development of Puur Lokaal*

Gerard distinguished the development of Puur Lokaal into four phases: the preparation phase, phase one, phase zero and phase two (see figure 10). Although the idea for Puur Lokaal was born long before, in 2014 the concept got a name and got officially registered. This "preparation phase" will be considered the first phase in the development of the social enterprise. At the time of field research (autumn 2015), Puur Lokaal was run by four working groups preparing the "phase one": expansion of the shop and start of the restaurant in 2016. In the meantime there were people working in and managing the test shop in "phase zero". During "phase two" (planned to start at the end of 2016), a re-formation of the organizational structure is envisioned in which the community of producers and consumers slowly takes over the governing function of Puur Lokaal.

The legal form that was chosen for was: cooperative excluding liabilities (in Dutch: Coöperatie Uitgesloten Aansprakelijkheid). At the articles of association, the objective of the cooperative was formulated as follows: "to make regional goods and services available to its members in a sustainable (social, ecological and economic) way against a fair price". This was in line with the idea of "food



**Figure 10: the different phases of Puur Lokaal**

cooperative" as organizational form which would enable consumers to become a member and become more involved in regional food production. In the preparation phase, a temporary board was formed in which in addition to Gerard, also a representative of Landwaard and Oregional were present.

The board started with an orientation for different locations for the first shop of Puur Lokaal. Finally the choice was made for a location at the main square in het Dorp in Arnhem. Het Dorp is a neighbourhood especially designed for people with a handicap. The former restaurant and shop went bankrupt and the owning care organization Siza has an interest to redevelop this with the help of external entrepreneurs. For Puur Lokaal the terrain and buildings are spacious and enable a "farm yard" setting. In addition, the location offers proximity to "people with a distance to the labour market", which is also coordinated by Siza.

In December 2014 a prototype of the farm shop “Puur Lokaal” started in the former supermarket of het Dorp. This phase is considered as “phase zero” in the development of Puur Lokaal, a testing phase before the official opening of the concept. A deliberate choice was made for a prototype, also called the “test shop”, since this enabled the organization to start with little risk and without long-term obligations. The money for the test shop came from their partner Cordaid, a Dutch NGO dedicated to poverty reduction.

Cordaid was already a partner of the regional farmer cooperative Oregional, together with Erik Hallers, a green investor. They continue to play a role in Puur Lokaal, as part of the group of advisors or as they are called by Gerard: “stakeholders”. Other organizations that became part of this stakeholder group are: Siza, the neighbourhood initiative WijkWerkPalet (Neighbourhood Work Platform), social housing cooperative Arnhem and inhabitants of het Dorp. At January 2014 the first stakeholder meeting took place. Ever since, the stakeholders have been involved in monthly meetings to discuss the progress of the realization of Puur Lokaal. During the first stakeholders meetings, the draft of the business plan of Puur Lokaal was intensively discussed and reformulated.

With the test shop already being in operation, the business plan of Puur Lokaal was used to attract finance for the further development of Puur Lokaal. Landwaard sent several application letters to social funds, of which three ultimately decide to allocate money to Puur Lokaal through Landwaard. In addition, a loan from the Rabobank is granted. In September 2015 it was decided that the attracted finance is sufficient to make a “re-start” of Puur Lokaal. This means that there is budget to start rebuilding the terrain, pre-finance the assortment and inventory for the first period and to pay for human resources.

After the rent contract with Siza was signed and the rebuilding was finished, in March 2016 the shop got expanded and a restaurant was opened next to it. Although they operated together under the cooperative Puur Lokaal and share the logistics system and food streams, the shop and restaurant got a separate manager. Soon after the re-start, it was decided to make two separate legal business units under the cooperative Puur Lokaal because the working condition for horeca and retail were considered two different.

### *The people from Puur Lokaal*

In these different phases of Puur Lokaal’s development, described above, there are many people and organizations involved. But are they all part of Puur Lokaal? Which actors are seen as part of Puur Lokaal and which actors are seen as part of their ecosystem? From the self-talk of Gerard Titulaer, the main entrepreneur, many memberships can be identified. Based on the associated activities he attached to these memberships three groups can be distinguished: 1) guards of the core story, 2) makers of the core story and 3) executors of the core story. Each group comprises a part of Puur Lokaal and is related to “the core story”. The idea of the core story is very strongly articulated in the self-talk of Gerard and can be seen as even more central to Puur Lokaal as the persons themselves. More information about the core story of Puur Lokaal will be given in the next chapter concerning identity talk. The people within those groups change according to the phase of the development of Puur Lokaal, as presented in figure 11.

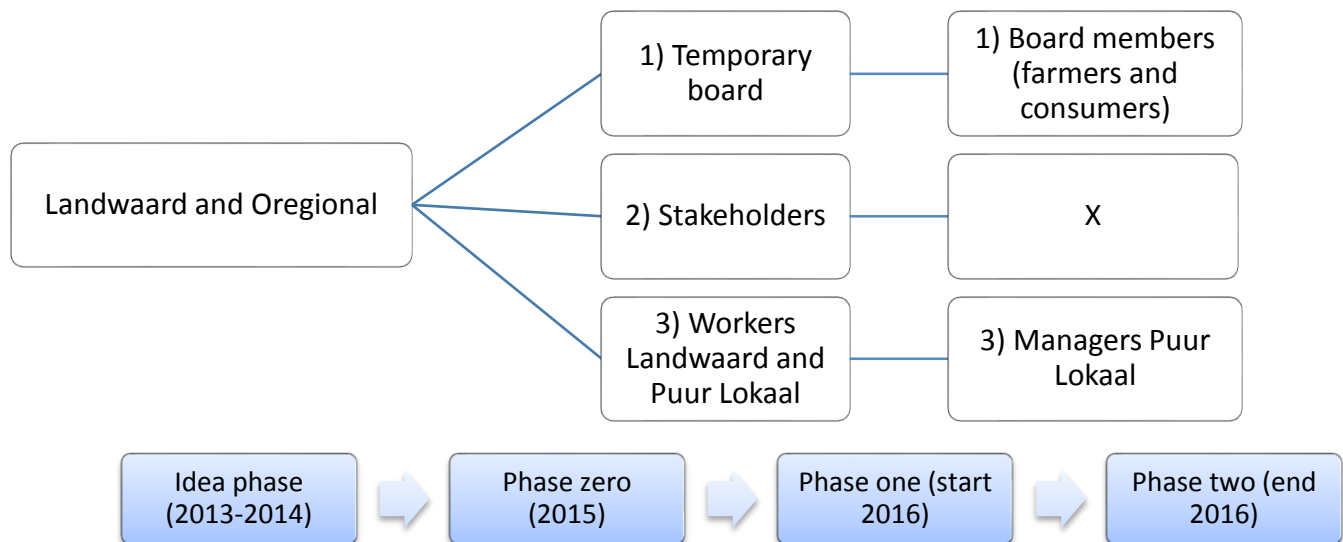


Figure 11: People within the three different groups of Puur Lokaal in each phase

1. **Guards of the core story.** In the idea phase, phase zero and phase one this activity was conducted by a temporary board including Gerard (the project leader), Linette (manager Landwaard), Christel (Volkshuisvesting Arnhem) and Paul (Oregional). Paul withdrew from the board in phase zero. The board has to make sure that the execution of Puur Lokaal is still in line with the core story and adjust it accordingly. In the second phase, this task has to be performed by the board of the cooperative, so by the representatives of the of the producers and consumers who are a member of the cooperative. The position of board members are based on legal titles and require a feeling of responsibility.
2. **Makers of the core story.** In the preparation phase, this activity was mainly done by Landwaard and Oregional. They developed the idea of a farm shop in the city and the main principles attached to that. In phase zero and phase one, the core story was developed further by the stakeholder group. Although they did not have formal ownership over Puur Lokaal, they did influence the draft of the business plan and made suggestions for points of action. In doing this, each stakeholder brought in their network and their expertise. Gerard and Linette were always part of these meetings and therefore are also considered makers of the core story. According to Gerard, the stakeholders had to decide upon the key elements of Puur Lokaal, so that from phase two every activity can be related to the core story. Therefore, in his eyes, in phase two there are no makers of the core story any more.
3. **Executors of the core story.** In phase zero, two persons were temporarily managing the test shop and some workers were already employed. Part of the staff concern people with a distance of the labour market, in line with the social objective which will be discussed in the next chapter. At the same time, there was a team working in preparation of the re-start (phase one). The team consisted of four working groups: 1) rebuilding shop and restaurant, 2) marketing & communication, 3) contact with producers, 4) development of the organisational model. At the time of field research, there were 10 people working in these working groups. They were employed based on their skills and were hired through Landwaard or Puur Lokaal. Some of the employees had been working already voluntarily for

Puur Lokaal before enough funding was attracted to pay them. After the re-start (phase one), the work of the marketing and communication expert well as the rebuilding expert will stop, because they were hired especially for the preparation of phase one. In phase one, Linette and Gerard will be still involved as board members but less in the execution. The shop and restaurant manager will become the main executors of the core story. In addition, an overall manager will be employed and potentially managers of additional business units.

### *The boundaries of Puur Lokaal*

Before people got part of above mentioned memberships or groups, they were often already part of the network of Oregional and/or Landwaard. For example, Niels de Vloet (manager of the restaurant) was already cooperating with Oregional when he was still having his own restaurant. Similarly, Moniek van Daal was engaged in earlier projects of Landwaard before she started to be engaged in Puur Lokaal. Also Cordaid and Eric Hallers were already involved in Oregional as investors before they became stakeholders of Puur Lokaal.

Even though the way and the moment those people got included into Puur Lokaal differed, certain selection criteria for each of the above mentioned groups existed. These selection criteria result in boundaries for each group. The boundary of the first group (the guards) is based on legal titles and sense of responsibility. The boundary of the second group (the markers) is based on expertise and network. The boundary of the third group (the executors) is based on skills.

In addition, all three groups have a local or spatial boundary. When selecting stakeholders, board members and employees for Puur Lokaal, the connection to the region (Arnhem/Nijmegen) was considered an important selection criteria. For example, the new shop manager and the new restaurant manager were both employed because they had their personal network in the region. In this way, they functioned as an expansion of Puur Lokaal's network.

However, the boundaries of Puur Lokaal are not fixed. Exceptions can be made, for example in the case with Cordaid. Cordaid is a Dutch NGO originally focused on developing countries but recently also developed a project "cooperative entrepreneurship" which is a national programme. For Puur Lokaal they financed the test shop and provided advice about the organization of the cooperative and social work. Although one representative of Cordaid was considered very qualified for the future overall manager position of Puur Lokaal, he was not considered a suitable candidate because he lacked the local "network". So even though Cordaid was an exception in the local stakeholder group, the fact that the representative could not become a manager of Puur Lokaal confirmed the local boundary.

The boundaries of Puur Lokaal are also not fixed considering that the actors within Puur Lokaal and their ecosystem are not stable. In the next section two examples will be given of actors who "cross boundaries". First of all, the changing involvement of Oregional in Puur Lokaal is described. Oregional played a key role in the idea phase of Puur Lokaal, but gradually crossed the boundaries of Puur Lokaal and became part of their ecosystem. Secondly, the changing involvement of different stakeholders are described. Some stakeholders are considered as part of Puur Lokaal and part of Puur Lokaal's ecosystem at the same time. Moreover, stakeholders can drop out and new stakeholders can enter.

### ***Crossing boundaries: Oregional***

Puur Lokaal has a lot of overlap with Oregional. First of all, they were both set-up by the mother organization Landwaard. Secondly, many of the farmers of Oregional had also been involved in projects of Landwaard and were seen as potential suppliers for Puur Lokaal in phase one. Thirdly, at the time of fieldwork, Oregional and Landwaard had their office in the same building, where also most meetings for Puur Lokaal were held. In addition, Gerard and Linette were involved in all the three organizations which made mutual communication very easy. For them the three organizations were so interwoven that they often confused the name of one organization with the other.

Despite this clear overlap, the relationship between Puur Lokaal and Oregional became more business-like in the course of the development of Puur Lokaal. In the very beginning, Oregional was one of the initiators of Puur Lokaal, together with Landwaard. The manager of Oregional became a board member of Puur Lokaal. However, at an early stage he decided to drawback from the board because of the risk of “conflict of interest”. He was afraid that he could not stay neutral if his organization Oregional became a supplier of Puur Lokaal and thus part of Puur Lokaal’s ecosystem. In addition, in the preparatory phase it was still considered that Oregional could become the sole wholesale organization for Puur Lokaal. For the test shop Oregional was also the main supplier of fresh regional produce. However, during the field work period, Gerard repeatedly stated that Oregional had to be approached as a new partner for new price negotiations. They were no longer considered as part of the social enterprise Puur Lokaal, but as part of the ecosystem of Puur Lokaal.

### ***Crossing boundaries: stakeholder group***

Gerard Titulaer described the group of stakeholders as a “team in which all expertise should be in balance”. He strived for a mix of people with a social background and a business background. The motivations of the stakeholders to be involved in Puur Lokaal is mixed. However, they all shared the principles of Puur Lokaal and wanted to engage in the development of its core story.

Despite the role of the stakeholder group (markers of the core story) and the boundaries (local expertise and network), the composition of the group was very changeable. If the interest of one of the stakeholders would stop, they could easily withdraw and make place for new organizations. As Gerard remarks:

“It is very well possible that some people [stakeholders] will drop-out, and other people will enter. You have to arrange this according to the phase [in the development of Puur Lokaal]” (Gerard Titulaer)

For example, the neighbourhood initiative *WijkWerkPalet* was actively influenced the draft of the business plan of Puur Lokaal in the preparation phase. However, during phase zero they temporarily withdrew from the stakeholder meetings until Puur Lokaal will be expanded to their neighbourhood Klarendal. This example makes clear that, once an organization is considered a stakeholder, they can easily cross the boundaries of Puur Lokaal.

Furthermore, some organizations were partner and stakeholder at the same time. Partners of Puur Lokaal had some kind of interdependency in the production of goods or services that costumers need. Care organization *Siza* cooperates with Puur Lokaal in terms of real estate and labour. *Siza Vastgoed* (Real Estate) rents the terrain and buildings for Puur Lokaal. *Siza Werk* (Work) provides workers to Puur Lokaal from their pool of “people with a distance to the labour market”. At the same time, a representative of *Siza* participated regularly in the stakeholder meetings. In this way, *Siza* stood with one leg in Puur Lokaal and one leg outside the organization.

Other stakeholders did not have a clear interdependency with Puur Lokaal in the delivery of goods and services yet. However, all stakeholders can be seen as potential partners in the sense that they can potentially become interdependent with Puur Lokaal in the near future. This could be for

example in the form of investment, the rental of properties or cooperation with other social enterprises in the neighbourhood. Partners are part of the ecosystem which will be described in the next section.

### *The ecosystem of Puur Lokaal*

Based on the membership categorizations analysis of the self-talk of Gerard Titulaer, also several organizations can be distinguished as part of the ecosystem of Puur Lokaal. The ecosystem here is defined as all the actors who interact and share dependencies with Puur Lokaal in the production of goods and services that costumers need. In other words, they have a certain overlap with Puur Lokaal but are seen as outside the organization. In Table 6 below, a classification of the actors and their interdependency with Puur Lokaal is shown. It is no exhaustive list of organizations of Puur Lokaal, but the key actors identified by Gerard at the time of field research.

**Table 6: actors in the ecosystem of Puur Lokaal**

<b>Organization</b>	<b>Interdependency</b>	<b>Phase</b>
Oregional	Supply regional products	Zero, one, two
Other regional farmers (not part of Oregional)	Could supply products to Puur Lokaal	One, two
Oregional	Takes care of transport to Puur Lokaal	Zero
Regional farmers, regional farm associations	Could take care of transport to Puur Lokaal	One
Siza work	Supplies workers to Puur Lokaal	Zero
Care organizations (Siza, Plurijn, etc)	Could supply workers to Puur Lokaal	One, two
Siza vastgoed	Rents terrain and buildings to Puur Lokaal	One, two
Municipality of Arnhem	Could apply "poor rule zone" to area(s) Puur Lokaal	Two
Bank	Loan provision to Puur Lokaal	Zero
Funds (Stichting Doen, VSB Fonds en Skanfonds)	Grant provision to Puur Lokaal	Zero, one
Community of consumers	Could become a member of Puur Lokaal	Two

From the table above, several observations can be made. Firstly, while some organizations are only involved during the starting phase of Puur Lokaal (such as the banks), other organizations remain involved for a longer time. Secondly, while some organizations already cooperate with Puur Lokaal, some are only talked about as potential partners at the time of field research, indicated as "could". This concerns existing as well as potential organizations. The community of consumers is still a non-existing one, which the people of Puur Lokaal aim to create in phase one after the restart. Thirdly, while with some organizations Puur Lokaal has an interdependency largely in terms of physical or financial resources, with other organizations the interdependencies merely concern institutional arrangements. The "poor rule zone" provision which the municipality could provide is such an institutional arrangement. This provision would enable people with benefits to be engaged in entrepreneurial activities within the concept of Puur Lokaal while retaining their benefits. Since the application for this arrangement would be specific for the areas in which Puur Lokaal operates, it would create a direct interdependency between the municipality and Puur Lokaal.

On the one hand Puur Lokaal cannot change the type of organizations or memberships in their ecosystem, since they are dependent on them in the delivery of goods and services for consumers. They need to collaborate with farmers in order to provide regional produce. They need to cooperate



with an organization coordinating people with a distance to the labour market in order to realize social work spaces in Puur Lokaal. They need organizations which are willing to finance the operation of Puur Lokaal. In this sense, for its success Puur Lokaal is dependent on their ecosystem.

But on the other hand, Puur Lokaal actively shapes the ecosystem by creating multiple dependencies. As have been described above, Oregional first was the sole organization supplying local products and arranging the transport for the test shop Puur Lokaal, but in from phase one was considered as just “one” of the farm associations. From this example it becomes clear that there is a lot of strategic thinking of the people from Puur Lokaal towards their ecosystem. The next section will address how the actions to shape the ecosystem of Puur Lokaal are explained.

### *Actions to shape the ecosystem of Puur Lokaal*

By analysing the way the people from Puur Lokaal talk about their actions in relationship to their environment, it became clear that they want to make sure to cooperate with more than one partner organization with their shop and restaurant. This was true for several type of organizations.

First of all, the people from Puur Lokaal wanted to have more than producer for each product group in the shop. This was decided in the working group “contact with producers” in which the preconditions for producers to supply to Puur Lokaal were discussed. They wanted to have at least two producers per product group, in order to differentiate risk of the shop and restaurant. Linette and Gerard wanted to anticipate on the discussion with farmers about competition. From the earlier experience of Landwaard, they knew that farmers have a preference to be the sole producer of one product group, which gave them more reason to join a starting initiative such as Puur Lokaal with for them many uncertainties. The main strategy was to be clear and informative towards farmers in the starting uncertain phase. The main counterargument to convince farmers for participation was to offer them a market price with something extra once Puur Lokaal achieved sufficient volumes.

Secondly, in the same working group “contact with producers” it was decided to cooperate with more farmer associations than with Oregional only. This was applicable to both the supply of regional products as well as the organization of transport from producers to the shop and restaurant of Puur Lokaal. In the first phase, Gerard suggested to cooperate with several farmer associations or any group of farmers with an existing logistical structure. In his perspective, Oregional was not always the most cost-efficient partner for logistic, especially when it concerned the distribution of products outside their region Arnhem-Nijmegen:

You first look at what is most efficient. You start [logistics] with companies who already cooperate. [...] If you look at [the logistics for] Puur Lokaal, I say to [manager Oregional]: your margin of 30% is too much. So then I will order...for example...at farm Ijskoop, who is located in Arnhem. If I go there directly, I will buy the milk for 70 cents. (Gerard Titulaer)

Thirdly, also for the organization of social workspaces, the collaboration with multiple care organizations is seen as ideal. During the stakeholder meetings, Cordaid gave the advice to look further than the care organization *Siza werk* (in English: Siza work) for the supply of workers in order to fill in social workspaces more easily. In addition, the exchange of workers between other social enterprises would get easier if Puur Lokaal were not to be totally dependent on Siza for workers. According to the board members of Puur Lokaal, this was difficult to achieve since the top management of Siza wanted to have the sole right of supplying workers to Puur Lokaal. Therefore, in the contract with Siza about social work spaces, Puur Lokaal wanted to make sure to include the possibility to search for other partners.

So, in creating multiple dependencies Puur Lokaal aims to become less dependent on one

organization. The main reason for this is to remain a flexible or cost-efficient enterprise. This means that they maintain the opportunities to increase relationships with other partners if current partners prove to have relatively high prices or for some reason are not able to deliver. By actively anticipating, creating and maintaining multiple relationships with different partners in the same field, the people from Puur Lokaal shape their ecosystem.

## 4.2 Le Galline Felici as a network and an actor

This chapter starts with a short description of Roberto Li Calzi (the main social entrepreneur) and his activities before he started Le Galline Felici. This provides a historical dimension which is needed to understand the farmers' consortium Le Galline Felici. Subsequently, the development of Le Galline will be described from Roberto's classification. Taken this development into account, three different groups comprising the community Le Galline Felici are identified from the self-talk of Roberto. Some examples of actors who are crossing boundaries will be given to highlight the fluent and relational nature of these groups. In addition, a description of the ecosystem is given from the point of view of the social entrepreneur. In the last part of the chapter will be discussed how the people from le Galline Felici shape their ecosystem.

### *Description Roberto Li Calzi and pre-history*

Roberto Li Calzi is the founding father of the farmer's consortium Le Galline Felici. He is still actively involved in the affairs of the consortium while being a farmer at the same time. Workers at the consortium describe him as someone having "a very good communicative capacity" and being the "father" of Le Galline Felici. He is usually the person who is having the first contact with new consumer groups who consider buying their products. Part of his time he spends travelling around to maintain contact with their customers in Northern Italy, France, Belgium, Austria and the Netherlands. In recent years, he became less involved in organizational tasks and became more a mascotte of le Galline Felici, representing the consortium and their network around Europe:

First I was the coordinator, but the organization was too much for me and there needed to be space for the next generation. So I "stepped" back and thought (and are still teaching) other people, like Barbara, certain tasks. Now I'm mainly the mascotte of le Galline Felice and work for promotion and marketing issues. (Roberto Li Calzi)

Roberto had always been an active farmer looking beyond his own farm. In 1984, together with 30 to 40 farms in different zones in Sicily he created the CSAB (*Coordinamento Siciliano Agricoltura Biologica*): a platform for Sicilian organic agriculture. This could be seen as the first milestone in the pre-history of le Galline Felici (see figure 12). In contact with other similar platforms in Italy, CSAB advocated for a national organic legislation. With success, the national legislation for organic production was initiated in 1992.

However, Roberto never had the intention to develop such a large network of consumers and producers. In the 1990s, he worked on his organic farm and was searching for direct sale channels to get a better price for his organic products. According to him, the prices offered by traders were so low that it was unable to survive as a small farmer. During a travel in 2001 in Torino (Northern Italy), he accidentally came in touch with a GAS (*Gruppo Acquisto Solidale*)<sup>12</sup> group who wanted to buy his oranges for a price which enabled Roberto to sustain his farm and do what he likes most: farming. From then, he started to sell his products directly to GAS groups in Northern Italy. In 2002 he made the first announcement on GAS life, the internet platform of the GAS network, to tell his story. In the contact with these northern groups, he got inspired to create a bigger network based on direct sale.

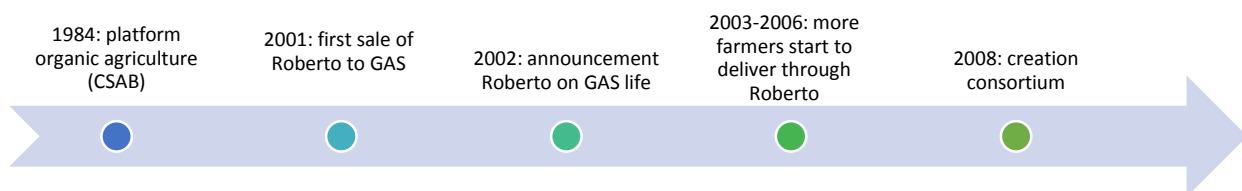
As the consumers were enthusiastic about his products, soon the demand for his products became higher than what he could supply. Therefore he asked several farmer friends in Eastern Sicily, who were facing a similar price squeeze by traders, to supply their products through him. Each year the supply of the products increased. Around 2006, Roberto believed that this activity became qualified as a commercial activity with him being the central trader. According to him, a central position of one

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<sup>12</sup> *Gruppo Acquisto Solidale* stands for Solidarity Buying Groups. They are part of an Italian network (the GAS network) uniting these groups, see: [www.economiasolidale.it](http://www.economiasolidale.it)

trader did not suite with the GAS mentality of direct trade. Therefore, he proposed the fellow farmers to establish an official collaborative form whereby each member had an equal position and responsibility. In the beginning he faced a large resistance, because the farmers were sceptical about the possibility of working together. However, after two years of convincing the others, in 2008 he created the consortium “Le Galline Felici” (the happy chickens) together with 9 other founders. In the articles of association the official objective of the social enterprise was formulated as follows: “to commercialize the products of the members and create a common organization of transport, preservation, packaging, shipment, business and administration, etcetera, that is necessary for that”. Although this is not connected to social objectives, social objectives became more pronounced in later stages in the development of le Galline Felici, as will become clear in Part II of this thesis.

All in all, Roberto’s network of farmers and their passion for farming goes a red thread through the direct trade established by Roberto. His proactive character stimulated farmers friends to join and start something official seem to be an important element in the pre-history of Le Galline Felici. The early existence of GAS groups in North Italy, and the expansion of the GAS network in the beginning of the 21th century throughout Italy offered Roberto a platform to sell his products. The meetings with people from the GAS network also inspired Roberto to develop something bigger. Thus, the growing GAS network can be seen as another red thread in the pre-history of le Galline Felici.



**Figure 12: the time-line of the pre-history of le Galline Felici**

### *The development of Le Galline Felici*

Roberto described the development of Le Galline Felici as two routes: the commercial and the social route (see figure 14). According to him, the commercial route concerns the increase of sales and workers of the consortium, the social route concerns the “bigger part” of creating relationships with other parties in the solidarity economy.

From the start of Le Galline Felici in 2008, each year the sales grow as well as the number of people who are involved. In 2011 sales were expanded to France. In 2014, the distribution moved to a new warehouse with a bigger capacity. At the time of field research there were around 38 producers supplying to Le Galline Felici, of which 25 are members. The members were represented in a board consisting of five members including one president, which changes every couple of years. The consortium had 27 employees. Some of them work at the warehouse, others are part of the harvest team. Some of them performed manual labour, some of them were occupied with logistics, administration, IT, communication or technical control. In addition, there were around 100,000 consumers who buy from the consortium. Each consumer was part of a bigger consumer group. These consumer groups in turn often bundle their orders and have one referent (or: representative) in charge of the distribution.

Parallel to the growth of the consortium, Le Galline Felici has been engaged in aligning their organization to the GAS network and other social enterprises. In 2009 Le Galline Felici created the organization Siqillyàh in order to organize the annual national GAS meeting on Sicily in that year. This was repeated in 2011. In the organization Roberto played a big role. He wanted to import ideas and examples from the GAS network to Sicily in order to inspire Sicilians to work on the alternative economy. In addition, his aim was to present a different Sicily: an island which is more than mafia

culture, where people are working on an alternative economy. As a follow up of this meeting, Siquillyah Archipelago was created to include more Sicilian farmers in the GAS network. In the end both agrarian as non-agrarian actors (e.g. in the tourist sector) with social objectives could become part in this association. Together they created a joint promotion of their goods and/or services as being part of the alternative economy. Unlike the members of Le Galline Felici, they do not engage in any collective marketing but just have a common internet platform to promote their products. Many activities organized by Siquillyah and Siquillyah Archipelago have connections to the development of Le Galline Felici. According to Roberto, the commercial route and the social route both supported each other.

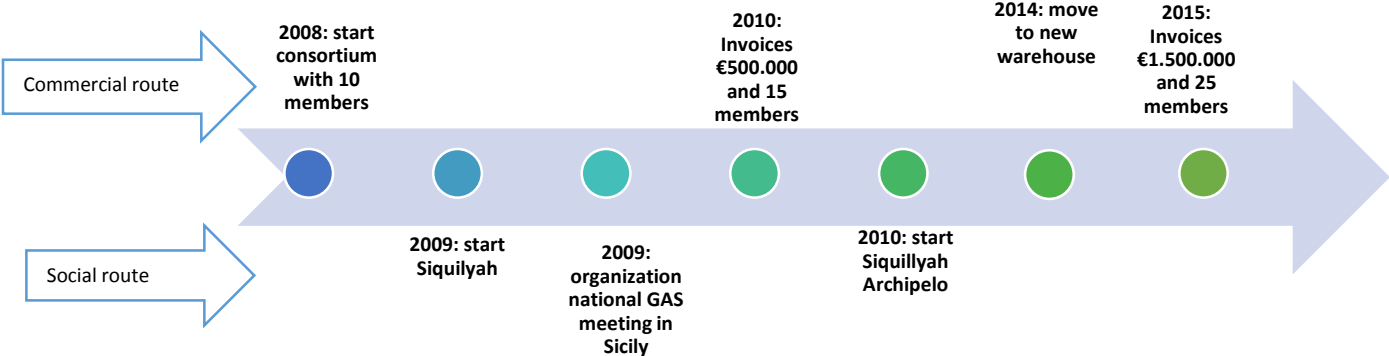


Figure 13: the time-line of the commercial and the social route of le Galline Felici

Moreover, the commercial route and the social route can be traced back before the official start of the consortium in 2008. The social route, in which a different economy is promoted, can be traced back to the start of the organic agriculture platform in 1984, which was also aimed at creating partnerships to establish something bigger than only trade. The first commercial activities can be traced back to 2001, when Roberto started his direct sales to a GAS group in North Italy.

*The people from le Galline Felici*

In the development of Le Galline Felici, different people and organizations got involved, each performing different roles at different times. The experienced symbiosis of Le Galline Felici and Siquillyah already signals that the consortium is more than a fixed number of farmers. Moreover, the distinction between “workers” and “members” of le Galline Felici is not very clear, because a lot of workers for le Galline Felici are members themselves at the same time (even though their families work on the farm in practice). Furthermore, Roberto often he considers the GAS groups they sell to a part of the community of le Galline Felici. How can we understand the boundaries of Le Galline Felici and how they change over time?

Roberto often talks about Le Galline Felici as a community. He is not fond of boundaries and likes to present Le Galline Felici as a network in which everything is connected. Based on the self-talk of Roberto the community of le Galline Felici includes different memberships and associated activities each time it is referred to. However, when Roberto was asked to visualize the growth of Le Galline Felici, he drew circles around each other representing a growing community (see figure 14). On this I will base who are considered the people from le Galline Felici. From his visual representation, it becomes clear that Roberto perceives the community of le Galline Felici as a circle which gets bigger

and bigger when the trade grows. It starts with himself, then includes the founders, then the members, workers & farm workers, and then the active referents or: friends.

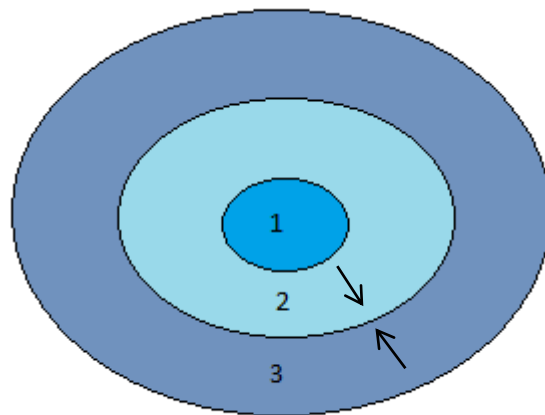


Figure 14: the three groups of the growing community of le Galline Felici

Each circle represents a part of the community with different characteristics which are attached to certain memberships:

**1. The founders: those who feel responsible for the growing community.** At the beginning of the sales, Roberto (represented by the first circle) could at some point have stopped when he finished to sell his products. Instead, he felt responsible to include more farmers in the trade in order to give more small organic farmers the chance to get a fair price for the products. Similarly, after the start of the consortium, the founders felt responsible to include more people who could live from the consortium. With the growth of the consortium, the board members and especially the president felt responsible to care for the security of the workers. This membership is especially based on the years of involvement. The longer people are involved in the consortium, the more responsible they tend to feel for the community. The founders, in return for their years of involvement, do have a priority right to sell to of their products. However, the priority system has become more balanced over time and there is many expectations being made for other members who have a good reason to sell their products first (e.g. because of damage due to bad weather conditions).

**2. The consortium: those who live from the growing community.** The number of members of the consortium has grown from 10 to 25. Members should have an organic working method and share the ideology of the consortium (more about ideology will be discussed in the next chapter). In addition, Roberto emphasizes that it is not only those 25 members who live from the consortium, but also workers in the warehouse and farm workers. The total number of people who gain a stable income from the consortium has grown from 10 to around 120 people. In addition, since the consortium moved to the new warehouse, also the landlord gets an income out of it through monthly rent payments. This membership is based on trust. There are a lot of family ties within this membership. If it were no family ties years of mutual observation or prior participation is often required to gain strong ties and become a member of this group. The arrow in this circle indicates the need to grow this group, so that more people can make a living from the trade of the consortium.

**3. Friends: those who think ahead about the future of the growing community.** This started with Roberto and the first contact persons of the GAS network. In addition to the daily trade, they had a lot of personal meetings from which friendships developed. From the beginning of the trade, they discussed already about “how to do things differently” in society and what role daily trade could play in that. With the increase of sale, many referents (representatives of consumer groups) are also thinking with Roberto about the future of the community and participate in social projects. The common characteristic of this membership is the recognition that by direct trade relations the

society can be transformed (more about this transformation will be discussed in the next chapter). The arrow in this circle represents the need for this group to become more involved into the growing community. According to Roberto, while they are making this movement they are becoming a part of this community.

All groups perform different roles in the community. Some people are part of more than one group at the same time. Roberto is part of all three groups, since he feels responsible and thinks about the future of the community but also is a farmer himself and lives from the community. Some of the founders of the consortium still feel the responsibility of the community and live from it, but they do not actively think about the future of the community. They are focused on local impact on Sicily and not on the impact of the community as a whole.

### ***The boundaries of le Galline Felici:***

The three groups mentioned above have different boundaries. The first boundary is based on years of involvement. The boundary of the second group is based on trust. Although producers should have shared the values and have an organic working method to become qualified as a member, more often the emphasis is put on the trust which should be present to become and remain a member. The same holds true for workers and farm workers (to a certain extent) and therefore they could be seen as part of the same group through the eyes of Roberto. The boundary of the third group is based on active participation in discussions and/or social projects. Consumer referents who are transcending the level of trade and develop a friendship can become part of this group.

A communality of the three groups is a feeling of solidarity. The idea of solidarity will be elaborated upon in the next chapter but in short refers to caring for the other community members. If someone of the community is in trouble, you will help them. According to Roberto this feeling is largely present in the community of le Galline Felici. A good example of this is the theft in the warehouse in the beginning of January 2016 when a lot of equipment and processed products were stolen. Immediately the workers, the terrain owner and also several GAS groups offered the consortium financial support. As Roberto writes in the newsletter of January 2016: *“these offers made it very concrete that we have a community surrounding us to relieve our difficulty”*.

Another similarity of these three boundaries are personal relationships based on trust. This often requires time to develop. The entrance of new people into the community is often presented on natural growth, in the sense that they get involved more and more over time. This is obvious for the first group which boundary is years of involvement. But for the other groups this also holds. For example when workers first work part-time and then slowly start to work more hours until they are working full-time. Below I will highlight this time dimension by the description of two cases of people who are crossing boundaries: 1) becoming a member and 2) becoming a solidary referent.

### ***Crossing boundaries: becoming a member***

Becoming a member of the consortium usually requires a long process of mutual observation, which could take about years. Usually these potential members already supply through the consortium but at an irregular basis. According to a worker who is in charge of all products that are coming in the warehouse, some producers just see the consortium as a place to sell their products. They are not interested in developing a long-term relationship. Therefore, potential members, should show that they have this long-term interest by a shared ideology. Another worker for the consortium, who is in charge for technical controls on the farms explains this:

It's important to develop a connection. For example, for lemons the price we offer is 60 cents. But now the market price is 1 euro, but at other times it could be less. People need to understand the long-term value of a stable price and personal connections (worker consortium)

In addition, becoming a member requires a declaration that they produce organically. Official organic certification is no requirement. The person in charge for technical controls on the farms argues that he can see whether farmers produce organically (so without chemical fertilizer and herbicides) based on years of experience. He usually visits each member farm once every month and is therefore able to keep close track of the farm's developments. Also potential members are visited a lot before they become a member.

During the process of mutual observation the potential members are called: "the chicks". This shows that they are not yet part of the community ("the hen house") but are slowly becoming more grown up. This metaphor emphasise the principle of natural growth. If Sicilian producers have already developed close relationships with le Galline Felici, this can speed up the process of becoming a member. For example, one producer of olive oil could enter the consortium after one year, since there was enough demand for her product. In addition, she was already part of the ecosystem of Le Galline Felici because she participated in Siquillyah. Therefore, her mindset and working method were already familiar to the people of the consortium.

Once a member it is not common to cross the boundary in the other direction; it seldom occurs that a member becomes excluded from Le Galline Felici. Several occasions of broken promises have to occur and even then extensive dialogue takes place. During the field work period, one member supplying canned fish to the consortium failed to live up their promises to deliver goods or pay back their loan at least three times. According to one working of the consortium: "*it's a matter of trust which is broken*". This exception reveals that trust is an important boundary of le Galline Felici.

### ***Crossing boundaries: becoming a solidary referent***

Referents are the representatives of the consumer group and are responsible for the contact with the consortium. According to Barbara Piccioli, who is currently in charge in the contact with consumer groups, there are two main types of referents: solidary and commercial. She named several difference between the two types. Firstly, whereas the commercial referent would engage in the trade because of the attractive price of organic products, the solidary referent would engage in the trade because they have a shared social vision. Secondly, with commercial referents there is a larger discussion of the aesthetics of the products than with solidary referents, while with solidary referents there is more discussion about the taste of the different products. Thirdly, whereas commercial referents in general would quickly accuse the consortium for making mistakes, solidary referents are more likely to forgive mistakes.

Over time, commercial referents always become more solidary, according to Barbara. By means of a dialogue in which both parties will explain their motives and talk about how to do things differently. Another worker of the consortium, indicates that there is a constant need to educate the referent about the origins of the problems. Whereas some issues (e.g. aesthetics) only need to be explained once, other issues (e.g. climate influences on products) need to be explained with every occasion. This often results in a change of perspectives which result in stronger relationships. Sometimes solidary referents get so concerned with the community of le Galline Felici, so that they become part of the community themselves. They regularly visit the farmers and think about future developments of le Galline Felici. In this way, they are part of the ecosystem as well as part of le Galline Felici.



### *The ecosystem of le Galline Felici*

Based on the membership categorizations analysis of the self-talk of Roberto li Calzi, several organizations can be distinguished as part of the ecosystem of Le Galline Felici. The ecosystem here is defined as all the actors who interact and share dependencies with le Galline Felici in the production of goods and services that costumers need. In other words, they have a certain overlap with le Galline Felici but are seen as outside the organization. In Table 7 below, a classification of the actors and their interdependency with le Galline Felici is shown. They are the key actors identified by Roberto at the time of field research, but it is by no means an exhaustive list.

**Table 7: actors in the ecosystem of le Galline Felici and their interdependency with le Galline Felici over time**

<b>Actor</b>	<b>Interdependency</b>	<b>Phase</b>
Sicilian producers	Irregular sales to le Galline Felici	From 2008
Clients: GAS groups (Italy, France, Belgium, Austria)	Buying products from le Galline Felici Sometimes participation in social projects & fairs	Italy from 2008 France from 2011 Austria and Belgium from 2012
Clients: Semi-commercial parties (Italy, France, Belgium, Austria, Netherlands)	Buying products from le Galline Felici . Sometimes participation in social projects & fairs	From 2008
Riela: transport company taken by the state from the mafia	Riela took care of logistics. le Galline Felici pre-financed Riela until they got bankrupt.	From 2009 to 2012
LN transport: small private transport company	LN takes care of logistics. Together with le Galline Felici they have developed the logistic system.	From 2013
Siqillyàh association [cultural organization]	Le Galline Felici is a member. With other members they promote a better image of Sicily. Organization stopped in the beginning of 2016.	From 2009 to 2016
Siqillyàh Archipelago [shared promotion social economy]	Le Galline Felici is a member. Together with other members they jointly promote their services/products.	From 2010

From the table above, it becomes clear that they main players of the ecosystem are Sicilian producers, clients, transport companies and solidary economy platforms. The place of Sicilian producers in the ecosystem has already been discussed above. For the other players, several observations can be made.

First of all, in terms of clients, Roberto makes a distinction between GAS groups and semi-commercial parties. The former are consumer groups who are often united in an association and make no profit. In the latter there is an intermediary person involved who makes a little profit, but who does not “block the sight between consumers and producers”, as Roberto puts it. Moreover, semi-commercial parties are not necessarily less involved in additional activities next to trade. For instance, as part of the order, the clients can indicate if they want to dedicate their discount to social

projects. As Barbara has shown to me, this really depends from client to client. Commercial parties are not part of the ecosystem of le Galline Felici, because they are deliberately excluded from trade with le Galline Felici, as will be addressed in the next section.

Secondly, over time, GAS groups from more countries got involved in the trade with le Galline Felici. Especially the GAS groups from France<sup>13</sup> started to play a large role of the ecosystem since the first group joined in 2011. In general French groups order a higher quantity per order than groups in Italy, which is attractive for the consortium. The separate French newsletter and French translations on the website also indicate that the French groups are seen as an important client. The importance of French groups also increased over time as le Galline Felici was confronted with a decreasing sale to GAS groups in Italy from 2014.

Thirdly, le Galline Felici switched from Riela, a transport company confiscated by the state, to LN transport, a small private transport company. Transport companies play a key role in the ecosystem of le Galline Felici, since they are the only player between the producers and the consumers. As the GAS groups are scattered over the different regions and countries le Galline Felici has developed a complex logistic system over time. In the transport sector mafia parties play a large role. Since le Galline Felici wants to avoid cooperation with mafia, the selection of transport companies is done with great consideration. Riela, the first company with whom a close interdependency was developed, was even financially supported by le Galline Felici. After its bankruptcy le Galline Felici started a cooperation with LN transport, which they selected because of its small size and the value the company gave to human relationships.

Fourthly, after participating in the annual meeting of the national GAS network, le Galline Felici took part in the creation of Sicilian networks (Siquillyah and Siquillyah Archipelo). Subsequently, they became a member of these organizations and benefit from promotional activities. This is one of the many examples of the way that the people from le Galline Felici have influenced their own ecosystem.

### *Actions to shape the ecosystem*

There are several ways in which le Galline Felici have been influencing their ecosystem. I will focus on the influence they have on their customers. Commercial parties are excluded from their ecosystem. If Roberto noticed that the approaching parties are too much focused on price and set all demands from the beginning, he simply refuse the trade. In addition, le Galline Felici has a different treatment for GAS groups and semi-commercial parties. Semi-commercial parties are treated more business-like than GAS groups. Roberto -in charge of the first contacts- is usually not flexible with changing the payment period and does not offer discounts with large orders; as is the case for GAS groups.

Also in other ways le Galline Felici actively steers the network of clients. They stimulate individual consumers to form GAS groups and make one person a referent who communicates with le Galline Felici. Furthermore, existing GAS groups who are located in the neighbourhood are stimulated to bundle their orders, so that the logistic system can become more efficient. The rationale of Roberto for this is that it stimulates people to organize themselves. He argues that even though self-organization can be chaotic at some times, it causes social cohesion in an individualistic society.

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<sup>13</sup> Although GAS groups in France are called differently, they operate against the same principles as Italian GAS groups. Taking into account the understandability of this text, they are called the same here.

Furthermore, le Galline Felici does not only influence the size of their ecosystem of costumers. They also give shape to the relationships with them. Funding activities from costumers (GAS groups and semi-commercial parties) for social projects is a common practice in the history of le Galline Felici. Furthermore, more recently Roberto has proposed to strengthen the interdependency with their customers. One of his proposals is to develop “co-production” whereby costumers can crowdfund trees on the member’s farms. In the newsletter of January 2016, there are two arguments used to convince consumers to engage in this. First of all, it is argued that crowdfunding is the quickest way to overcome the shortage of some products. Secondly, the argument is used that crowdfunding *“opens up space for cooperation which can be an engine of local and social change”*.

So, by excluding too commercial customers and by stimulating the self-organization of costumers, le Galline Felici actively influences the kind and the shape of the players in their ecosystem. In addition, le Galline Felici increasingly tries to shape the kind of interdependencies with costumers which go beyond everyday trade. The reasons for these actions are both practical (improving efficiency and overcoming shortages) as well as ideological (improving social cohesion and creating local and social change).

### 4.3 Discussion

In line with the evolutionary approach, for both social enterprises the pre-history and the development has been described. The value of this historical perspective is to see the social enterprise as a continuation of earlier organizations and ideas, in which the social entrepreneur plays a major role. Gerard Titulaer from Puur Lokaal developed a career in the mainstream national farm association, during which he came involved in projects re-connecting producers with consumers. Roberto li Calzi from Le Galline Felici has been an organic farmer during the major part of his life, and on the side of it developed partnerships with other organic farmers and ultimately with consumer groups.

The fact that Roberto has been (and still is) a farmer and Gerard has been representing farmers makes their material position as main social entrepreneur substantially different. This influences the role they have in the social enterprise. Whereas Gerard sees his role in Puur Lokaal as temporary, Roberto sees himself as permanently involved in the affairs of le Galline Felici, at least as a supplying farmer. In addition, their material position brings along different experiences with farmers and traders. Gerard argues that farmers are not entrepreneurial and that an entrepreneurs like him should find models to improve their position. By contrast, according to Roberto farmers should not get dependent on a single entrepreneur (or: trader) but should cooperate instead.

Moreover, a historical description of the social enterprise based on the point of view of the social entrepreneur also unravels the social entrepreneurs' perception of development. Both Gerard and Roberto valued the period of commercial activity before the social enterprise got legal and organizational shape. The initiators of Puur Lokaal waited until their business-to-business concept Oregional became financially stable before they officially registered the business-to-consumer concept Puur Lokaal. Le Galline Felici became a legal entity only after years of informal trade. This shows that the period prior to a legal status or organizational structure of a social enterprise can be an important part in the development of a social enterprise.

Despite the shared appreciation of the preparatory period, both social entrepreneurs made quite different classifications of the development of their enterprise. In the case of Puur Lokaal, Gerard sees the development of the enterprise as one being classified into different phases. The start of new phases are marked by different milestones, such as the re-start of the shop in phase 1. The fact that these milestones are already known in advance, shows that the development of Puur Lokaal is rather planned. By contrast, Roberto views the development of le Galline Felici as one being distinguished by a social and a commercial route. In this classification, the goals to expand the business and to create partnerships in the solidary economy are central. However, unlike the four phases of Puur Lokaal, in this classification there are no phases with a clear beginning and ending. Rather, all developments perceived as a natural continuation of earlier developments and no fixed milestones for the future are set. Therefore, the development of le Galline Felici could be seen as less planned than that of Puur Lokaal. The effect of less planning could be an easier response to changing social needs (better adaptation in terms of evolutionary theory). On the other hand, more planning could result in a better alignment to players in their ecosystem because the milestones are clearer (better selection in terms of evolutionary theory).

Taking into account the many actors who have been involved in the history of both social enterprise, the social enterprise cannot be seen a fixed group of people or organizations. Much organizations were involved in their pre-history and more recently there has also been at least a few cases of actors who are crossing the boundaries of the social enterprise and their ecosystem. This is in line with actor-network theory (ANT), which states that any actor (such as the social enterprise) could be seen as a network which constantly changes according to the entrance and exit of actors.

In addition, in both cases there are actors who are seen as part of the social enterprise and part of their ecosystem at the same time. For Puur Lokaal, some stakeholders who are considered part of Puur Lokaal are simultaneously part of their ecosystem as partner. In le Galline Felici some referents are seen as friends and part of the le Galline Felici, while at the same time they are part of the ecosystem as they are involved in the trade activities with le Galline Felici. This phenomena of “dual positions” creates fuzzy boundaries for both enterprises.

In order to get some understanding of the boundaries of the social enterprise as a network it is helpful to distinguish between different memberships and their associated activities. In this way the emphasis comes onto the different roles within the network and selection criteria can be distracted from this. The main boundary for Puur Lokaal is the local boundary. For example, the selection and employees (executors of the core-story) is based on the presence of a local network in the region of Arnhem<sup>14</sup>. The main boundary for le Galline Felici is trust. For example, the selection of new members of le Galline Felici is based on multiple farm visits from someone from the consortium and the degree of participation of potential members in meetings. Both examples show that a boundary only gets real when it becomes enacted and needs to be maintained, which is in line with ANT.

The boundaries of Puur Lokaal seem easier to cross than for le Galline Felici. In the case of Puur Lokaal, when a new person or organization can show his/her local expertise or local network it is relatively easy for products and people to become adopted in the concept Puur Lokaal. By contrast, entering le Galline Felici is more difficult since trust requires time to develop. Becoming a member for le Galline Felici is generally a yearly process of mutual observation. For Puur Lokaal new organizations could enter the stakeholder group straight away when they have a clear local connection. And in opposite direction, an exit from le Galline Felici is less likely to happen than for Puur Lokaal; if it happens, it means that trust is broken. For Puur Lokaal an exit would more likely be a decreased mutual interest or to prevent a conflict of interest.

According to the ANT, scale is relative. The social enterprise cannot only be seen as a network in itself, it can also be seen as an actor in a wider network: the ecosystem. In business literature the ecosystem has been defined as a set of interdependencies in the supply of goods or services that costumers need. As showed in table 6 and 7, both social enterprises are currently involved in a set of interdependencies with their ecosystem which became more complex over time, as more players entered the ecosystem. Despite the shorter existence of Puur Lokaal, it has developed interdependencies with a diverse range of players, from banks to care organizations. However, due to a language and cultural barrier, it is likely that some (potential) players were not made visible to me in Italy. Therefore, it is difficult to compare the different kind of ecosystems of both organizations.

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<sup>14</sup> The idea is that the concept Puur Lokaal will be expanded to other areas after phase two, which makes the local boundary specific to the region Arnhem not relevant any more by then.

What could be concluded is that both social enterprises are actively shaping their ecosystem. They do so in different ways and use different rationales to explain this. The people from Puur Lokaal are actively searching for new partners even though they already have good relationships with partners in the same area. Their main argument for these actions is to achieve cost-efficiency. They think that the presence of multiple partners enables them to easily switch between partners if prices are too high or if partners are not able to deliver.

The people from Le Galline Felici are mainly influencing their ecosystem through the stimulation of the formation of new GAS groups and the bundling of orders between existing GAS groups. In addition to practical considerations, they use social arguments to legitimize these actions. They think that this type of cooperation forces their clients to have a lot of interaction, which increases social cohesion in society.

So, you could say that both social enterprises are creating part of their ecosystem. If Puur Lokaal would not have chosen to cooperate with different partners, they would be more dependent on the existence of historical partners. If le Galline Felici would have not chosen to actively stimulate the formation and organization of GAS groups, they would have been more dependent on the already existing structure of the GAS network. Seeing this in light of the evolutionary approach, these actions to shape the ecosystem reduces the dependency of the social enterprise on their environment.

## 5. The relational meaning of the social enterprise

Part I identified the actors of the social enterprise from the point of view of the social entrepreneur. This part discusses how those actors give meaning to the social enterprise in relationship to their wider environment (see figure 15). What kind of concepts are used to describe themselves and what is the meaning behind those? Hereby I will take into account when certain concepts are adopted by the social enterprise and how they develop through the (pre-) history of the social enterprise. Like in Part I, an account of Puur Lokaal and le Galline Felici is given after which they will be compared in the discussion.

In line with the actor-network theory, meaning any actor is always established in relationship to other actors in the network. An analysis of the relational meaning of the social enterprise will give more insight in the different ways that the social enterprise can be presented in relation to their environment. In here attention is given to the aspect of “blackboxing” from actor-network theory: presenting the social enterprise as one coherent actor to the outside world in order to simplify diverse meanings within the network.

The analytical part of each account exists of two parts. The first part addresses the way people from the social enterprise talk about themselves in relationship to their environment (research question 2). This is a combination of the analysis from environmental talk with the analysis from self-talk. Self-talk is a more explicit way of meaning giving. How is the social enterprise presented in respect to their environment? Environmental talk often indirectly reveals the identity of the social enterprise. Are descriptions of the environment appropriative recognized, oppositional recognized or are they silenced? The second part of each account addresses the predominant way that the people from the social enterprise talk about their actions responding to dominant discourses from their environment (research question 3). This will highlight the evolving relation between the social enterprise and their environment.

The analyses are based on a cultural domain analysis of all the field notes and the interview transcripts. In addition, it is based on a content analysis of the document where the social enterprise presents themselves to outsiders.

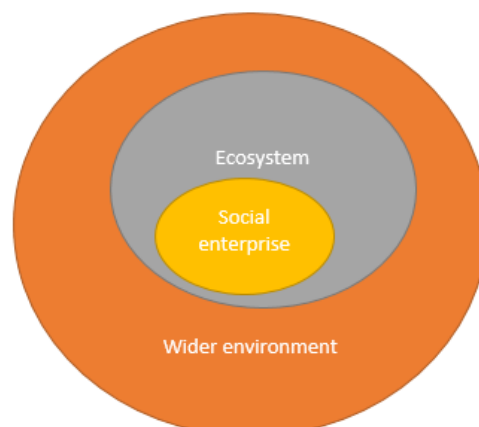


Figure 15: Focus on the social enterprise embedded in their wider environment

## 5.1 the relational meaning of Puur Lokaal

This chapter starts with a description of concepts that the people from Puur Lokaal used to describe the relevance of their social enterprise. In the previous chapter about Puur Lokaal, it became clear that Gerard Titulaer related all actors of Puur Lokaal to the core story. What is the core story that is so valued by Gerard? I will analyse the multiple opinions of the people from Puur Lokaal concerning the appropriate core story of Puur Lokaal to reveal internal variation. In addition, concepts to describe the organizational style of Puur Lokaal are discussed. I will analyse the identification of Puur Lokaal with retailers and touch upon the discourse of positioning which is dominant in the wider environment of Puur Lokaal. Finally, I will analyse the way the people of Puur Lokaal talk about their reactions to this dominant discourse.

### ***Trends in the environment***

Organizations in the pre-history of Puur Lokaal were all concerned about the way the food system was organized. Two main concerns can be identified from the talk of Gerard and Linette (manager Landwaard) when talking about the environment of farmers represented by the organizations Vers van het Land, Vrienden van het Platteland, Streekgala, Landwaard and Oregional. On the one side they opposed to the marginalized position of farmers in the food chain. The food chain is described as an area with large players in which farmers do not have the power to demand a fair price for their products. According to them, this price-squeeze of farmers would inhibit sustainable farm practices. On the other hand they opposed the lack of transparency in the food chain, in which products are anonymous and lack meaning. According to them, the consumers would not have the incentive to care about the origin of their food.

Similarly to the earlier organizations, Puur Lokaal is presented as a response to the current food system. However, it addresses food specific trends as well as general trends in the society. In the business plan of Puur Lokaal the first section addresses the “why question” of Puur Lokaal. This section pays attention to five trends in the environment. Firstly, unhealthy food patterns in the Netherlands are addressed. Secondly, the search of farmers for alternative sale channels is identified with. Thirdly, the presence of poverty and stigmatization is stipulated. Fourthly, unsustainable practices in farming are mentioned. Fifthly, disappearing relationships between consumers and producers are addressed.

So in the business plan explicit attention is given to the larger environment. The same trends were emphasized in the fund applications, as all funds application required an explanation of the “why question”. However, during the field work period the business plan was already drafted and these larger trends were hardly discussed. Instead, much more emphasis was put on how to transform the the food system and the multiple values of Puur Lokaal.

### ***Transformation of the food system: integral approach***

Landwaard is the first organization in the pre-history of Puur Lokaal which is advocating a transformation of the food system. In order to achieve this, Landwaard position themselves as an organization with an integral approach. In the strategical note of 2012-2015, Landwaard’s vision is twofold: 1) an “attractive, vital and livable countryside with a sustainable rural economy and 2) connection between city and countryside and involvement of farmers and citizens”. In the self-talk of Linette, the larger picture of Landwaard’s actions is often addressed. Also the people who work or have worked for Landwaard she describes as people who are able to link practice with theory. Therefore, Landwaard could be seen as an organization which is familiar with system thinking.



Also in the self-talk of Gerard a transformation of the food system is often emphasized. During his career, he has been involved in many projects which aim to improve the position of the farmer. These experiences taught him that partial solutions do not work. An example of such a partial solution in his eyes is nature conservation whereby the farmer receives a small fee nature maintenance on his fields. According to him this does not fundamentally change the position of farmers in the food chain nor does it resolve the disconnection between citizens and farmers. Rather, he thinks the approach should be integral whereby the re-connection of consumers and producers is central.

### ***The core-story of Puur Lokaal***

The integral approach described above resulted in the use of multiple values when describing Puur Lokaal to me as a researcher and to outsiders in general. Examples of values that people from Puur Lokaal used in their self-talk were: healthy food, local food, fresh food, ecological sustainability, social inclusion, labour participation, cooperation, social cohesion, connection, community, transparency and fairness. The previous chapter made clear that the social entrepreneur put the core-story at the center of the organization Puur Lokaal. But how do above mentioned values relate to the core-story?

The business plan of Puur Lokaal can be seen as the foundation of the core-story. Here, three pillars are highlighted: 1) the green pillar, 2) the social pillar and 3) the pillar of participation. The green pillar refers to sustainable and healthy food. The procurement of Puur Lokaal is sustainable and seasonal produce from farmers in the region. In addition, by buying produce of second quality and by using the rest streams of the shop in the restaurant it aims to reduce food waste. The social pillar refers to employment and accessibility. Puur Lokaal's business units will employ people with "a distance to the job market". In addition, it aims to be accessible for consumers with a low budget. The pillar participation refers to the juridical form and the building of a community. Puur Lokaal will get the form of a food cooperative where consumers and producers can become owners and get a platform to communicate their values. This should lead to community building based on shared values.

A distinction can be made by values emphasized by the organizations Oregional and Landwaard and the values emphasized by the stakeholders of Puur Lokaal. Oregional and Landwaard were the initiators of Puur Lokaal and are still represented by Linette (manager Landwaard) and Gerard (board member Oregional and Landwaard). During the fieldwork period, they were present as both the guards, makers as well as the executors of the core story. The stakeholders are considered as the "makers of the core story" in phase zero and one. Whereas the initiators put more emphasis on the green pillar, the stakeholders are most interested in developing the social pillar. By contrast, the pillar of participation is hardly discussed during the field work period, because it is argued that this should be developed after the re-start of Puur Lokaal in phase one.

#### ***Green pillar: local produce over organic produce***

Puur Lokaal focuses on local products. This locality has been very strong from the first ideas of the concept and can be traced back to the regional focus of Landwaard and Oregional. Although in the shop of Puur Lokaal also organic products are sold, often was emphasized that this does not have the priority. By the people from Landwaard and Oregional local products were preferred over organic products. Organic products, they argued, are not necessarily sustainable. This was usually explained to outsiders by giving an extreme example from products which were produced organically but had a large food print. The quote below from Linette illustrates this:

A local product for us is a product which is produced or processed in a radius of 50 km. An organic farmer can be part of this. But for us organic beans from Kenya are not that organic, so [organic is not sustainable per definition (Linette Mak)]

Another reason why local products were preferred over organic products was that it was easier for consumers to relate to local products. They would more likely feel the connection to local products than organic products further from home. Moreover, visiting farmers who are situated in the region is also easier than organic farmers which can be situated anywhere. So, with the focus on local products, the re-connection between consumers and producers is considered easier to achieve.

*Green pillar: re-connection through telling the story of the farmer*

In the organizations Landwaard and Oregional a reconnection between citizens and farmers is key in order to give new economic impulses to the countryside. Whereas Landwaard achieves this by projects, activities and events, Oregional achieves this by the supply of regional products. According to Gerard, the moment that consumers and producers feel connected, also the trust in the agricultural sector will increase – and so the position of the farmer. From his perspective, this is a much more effective method to create trust than any certificate can do:

In yesterday's newspaper it was said that only 10% of the people still trust certificates. [...] And how do you get trust...trust you get if you re-connect people. The moment you create a relationship, you create this base of trust (Gerard Titulaer)

Gerard became more and more determined of the importance of re-connection and the story of the farmer a means to achieve this. This realization grew due his experiences with the initiatives he had been involved in and has especially become prominent during the development of Oregional. In addition, this realization grew due to many scientific articles and news items he read which confirmed his thought. During the fieldwork period, he often referred to the “foodlov pyramid” as visual to explain the logic of re-connection. This pyramid is inspired on the Maslov pyramide and puts re-connection on top as highest value, after identity & lifestyle, origin and ethics, health, energy & food safety (see figure 16)

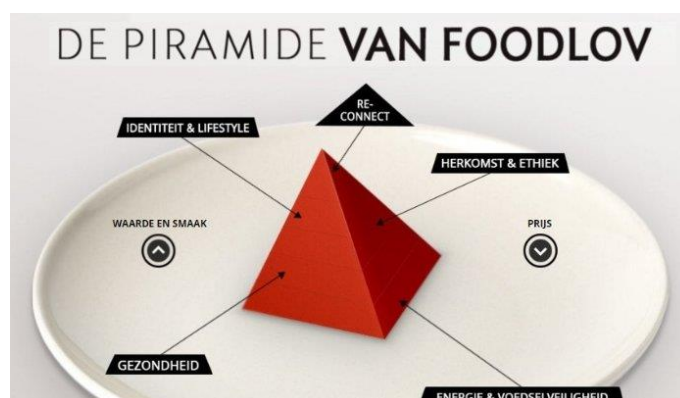


Figure 16: The pyramid of Foodlov

In the concept Puur Lokaal, re-connection is embodied by telling the story of the farmer. First of all, the picture of the supplying farmers would be shown in the shop and the restaurant. Secondly, for each local product in the shop the producer's name would be visible on a sign board next to it. Thirdly, on the website the story of each supplying farmer would be shown. Fourthly, farmers would

tell their story during farm visits or at occasional farm markets of Puur Lokaal. In this way, the consumer could have easy access to the story of the farmer. A common slogan of Gerard to capture all these measures was: *“the farmer is the new certificate”*.

### *Social pillar*

In the self-talk of the stakeholders of Puur Lokaal, less emphasis was put on the story of the farmer or the locality of the produce. Instead, most stakeholders were concerned with the social pillar of Puur Lokaal. They emphasized values like labour participation, the vitality of neighbourhoods and social inclusion. This became clear when asking the motivation of the stakeholders. Below, a representative of *Volkshuisvesting Arnhem* (local housing organisation) explains her motivation to join Puur Lokaal:

In the neighbourhoods where we have properties, especially the poorer neighbourhoods, we look if we could organize something. Our interest is to improve the life of tenants. When Puur Lokaal started we joined the discussion [...]. (representative from Volkshuisvesting Arnhem)

In the stakeholder meetings in 2014, the business plan of Puur Lokaal has been thoroughly discussed. According to Gerard Titulaer, the stakeholders constantly drew attention to the social pillar of the business plan. For example, *Wijkwerkpalet* (Neighbourhood Work Platform) emphasized the importance of offering work spaces for people with a distance to the labour market. *Cordaid* (NGO focused on poverty reduction) mainly advocated the need to make products more affordable for people with a small budget.

Also during the fieldwork period, the social pillar is more strongly emphasized than the other pillars in the self-talk of the stakeholders. On one hand this is a result of the social expertise which was relatively strong amongst the stakeholders. On the other hand, it is also the result of the conviction that the social pillar should get more importance within Puur Lokaal. This is illustrated by a reflection of a representative of Cordaid:

*Our expertise is in the draft of the cooperative model and the business plan. But the social aspects could be more integrated. This point we constantly try to draw attention to.* (representative of Cordaid)

According to Gerard, it is essential for the stakeholders to agree upon a “core” story before this is communicated to consumers. Although the foundations for Puur Lokaal were already laid with the draft of the business plan, the rethinking of values is very present in its daily organization, as will be discussed in the last paragraph in this chapter. In addition to the values of Puur Lokaal, the people from Puur Lokaal used different concepts in their talk to describe their organizational style.

### **Organizational style**

In the presentation to funders and consumers the term “food cooperative” is mostly emphasized. It is mentioned on their flyers, website as well as their business plan. The term refers to the legal form of Puur Lokaal (the cooperative) which enables the participation of both consumers as producers in the cooperation (the participative pillar). The “cooperative” terminology is also largely present in the self-talk by Cordaid, who promotes bottom-up cooperatives in their programs to foster social inclusion. With Cordaid as exception, during the fieldwork period the term is less used and little associations are made which link to the food cooperative. Rather, the term social enterprise is more present in the self-talk of the people from Puur Lokaal.

Gerard mainly uses the term “social enterprise” if he wants to express the idea of self-sufficiency. According to him, the social enterprise should have a balance between societal values and financial sustainability. So, he argues: *“there can be no societal impact if no money is being earned”*. In order to achieve that, a good business model should be at the basis of a concept. Self-sufficiency is also an important value for the mother organization of Puur Lokaal: Landwaard. The organization aims at making their start-up self-sufficient as quick as possible. Over time, they gradually withdraw from the businesses they have set up. As Linette from Landwaard remarks: *“a new initiative should be able to support itself”*.

Not only Puur Lokaal is seen as a social enterprise, also Linette uses the term for Landwaard. She sees Landwaard as a social enterprise, because they are innovative, self-sufficient and focused on societal impact. However, the legal form of the organization is an association. Ever since they could not get recognized as a fund by the Dutch tax agency, Landwaard struggles with their identity. Are they a business, an association or somewhere in between? Linette had read the book *“change the world, start a business”*, which is a book about social enterprises (from Verloop and Hillen, 2013) and felt this organizational style suited the organization Landwaard. During the field work period, she brainstormed with me about the nature of social enterprises. Also other people working for Puur Lokaal mentioned the term social enterprise in their talk. However, since I stated that I conduct research on social entrepreneurship, this must have influenced the use of the term by the people of Puur Lokaal. This issue will be discussed in the conclusion of this thesis.

In addition, Puur Lokaal is often presented as a “concept”. The meaning behind this word is the principle of multiplication. According to Linette, Puur Lokaal can be divided in an upper layer and a lower layer (see figure 17). In the upper layer there are activities focused on development<sup>15</sup>, while the lower layer focuses on exploitation. Each layer requires different skills. Over time, the upper and lower layer will split as more locations (lower layers) will be added. A similar picture she draws for another start-up of Landwaard: Tap-punt, which runs rural distribution points of local products in the Achterhoek region. Therefore, the idea of multiplication is not applied for the first time to Puur Lokaal but that it stems from earlier experiences.

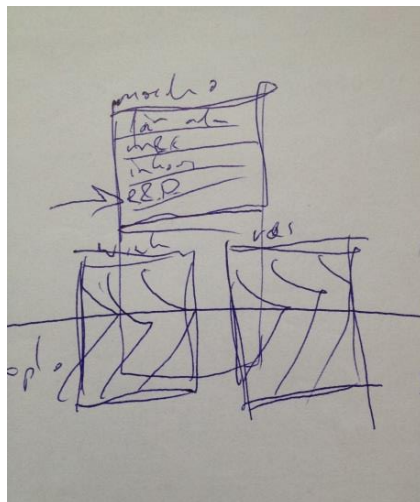


Figure 17: Linette’s visualisation of Puur Lokaal into two layers

<sup>15</sup> In figure 17 the skill “research and development” is pointed at by an arrow to highlight Landwaard’s potential role in the upper layer in the future.

Besides the aspect of multiplicity, a concept is considered as something that has to be well-thought off. According to Gerard, he composed the “concept” of Puur Lokaal by borrowing building blocks from other organizations. He looked at many other start-ups, but also to established businesses. In Puur Lokaal he wants to combine the strong points of the supermarket (complete assortment and convenience) and the strong shop of the farm shop (experience, personal atmosphere) in one concept. Supermarkets (or: retailers) have an interesting position in the self-talk of Puur Lokaal. Description of retailers are largely present and therefore not silenced. While at some moments retailers are appropriative recognized, at other moments they are oppositional recognized.

### ***Identification with retailers***

Even though people from Puur Lokaal oppose the current food system, during meetings and informal conversations, there is an appropriative recognition of retailers. In their daily talk people from Puur Lokaal (especially the executors of the core story) identify with practices of the supermarket. They feel they have to be coherent and professional just like the normal supermarkets. Sometimes they feel amateurs in comparison to big retailers such as Albert Heijn, because they do not have much protocols and cannot achieve the “law of big numbers”. In addition, sometimes Puur Lokaal is even equalized to the supermarket by the executors. For example in the case that Linette wanted to clarify the role of Oregional versus Puur Lokaal to a new intern: *“Oregional is a trade organization. And you could compare Puur Lokaal with Albert Heijn”*.

However, when asking explicitly towards his attitude towards the supermarket, Gerard draws a more nuanced picture. He explained that even though he does not agree with the model of supermarkets, he is inspired by their methods, such as the marketing methods and hospitality:

I also look at things where I disagree with, for example the Albert Heijn [=big retailer in the Netherlands]. I do look at their marketing approach. Because this they are doing perfectly [...]. You have to know the enemy, right? (Gerard Titulaer)

The fact that in the last sentence Gerard addresses retailers as “enemies” suggest a strong oppositional recognition. But on the other hand he does not fully dismiss retailers but uses some of their practices in the concept of Puur Lokaal.

During the M&C meetings, the executors of the core-story often identified to marketing and communication practices of the large Dutch retailers. For example, during one of the meetings of the M&C working group references were made to the brochures of Marqt and Jumbo:

**Linette:** We could have a look to the brochure of Marqt, so see if we have not forgotten something.  
**Gerard:** Here I have the brochure of Jumbo with 7 promises to the customer. But they clearly have very different points than us!

The reference to the marketing strategy of other retailers makes clear that the discourse of positioning which was dominant in the environment of Puur Lokaal. The position of supermarkets in food provisioning in the Netherlands is very dominant. In this environment, there is a strong idea that new concepts should “fight” to gain a position in this competing environment. In the next section I will describe how the people from Puur Lokaal react to the dominant discourse of “positioning”.

### ***Reaction to dominant discourse in their environment***

In the (pre-) history of Puur Lokaal, it has been increasingly important to position new concepts in the market. Whereas earlier projects of Landwaard concerned merely the set-up of platforms or associations, more recently the organization has been increasingly engaged in the set-up of enterprises. This requires more foresight of the feasibility of the concept. Before the foundation of Oregional, a pre-research was conducted in cooperation with care institutes and European research program “Grenzeloos vermarkten” (In English: marketing without borders). Before starting Puur Lokaal, also a market research was conducted to assess the feasibility of a farm shop in the city. At the same time also Landwaard, the mother organization of Puur Lokaal, is recently paying more attention to its own position in the market. According to Linette, the manager of Landwaard, Landwaard should put more attention to the communication of their added value in respect to other consultancy agencies.

Puur Lokaal reacted to the idea of positioning by putting major emphasis on their business plan as well as their marketing and communication strategy. Whereas the business plan was mainly used to attract financiers, the marketing and communication strategy was used to increase their market share quickly.

#### *Positioning towards financiers:*

The moments where funds or loans were granted can be seen as moments of empowerments. Especially after the first fund “Stichting DOEN” reacted positively to the fund application of Landwaard, it became easier to attract the other funds because they could proof that there were already funds joining. The security of enough financed offered by the bank and the funds was certainly the moment where the re-start of Puur Lokaal was confirmed. A pragmatic attitude can be observed in how Puur Lokaal presents themselves to financiers

First of all, for each fund different values of Puur Lokaal were emphasized. As described above, in the business plan included three main pillars and stipulated multiple values. The integration of multiple values in their plan enabled Puur Lokaal to attract finances from several funds. Depending on the area of the fund, each time a different dimension was highlighted. As Gerard remarks:

You have to submit a plan in which they [the funds] recognize themselves. If I want to do a dance for fund X, than fund X has to like me. (Gerard Titulaer)

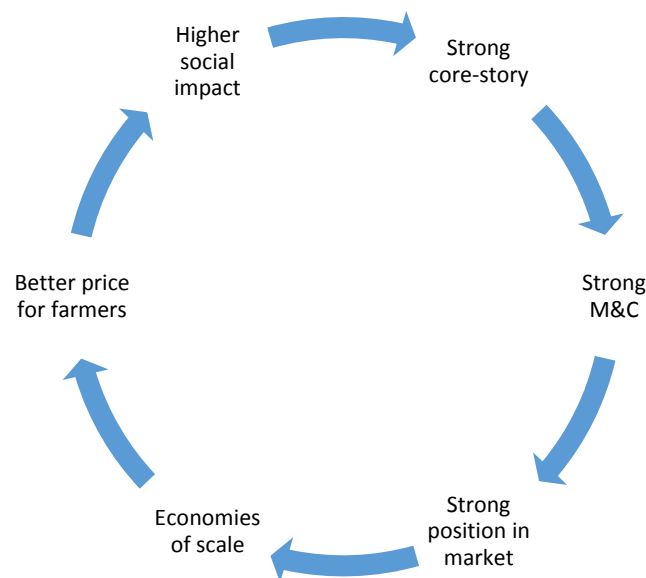
With the granting of finances, each fund provided a list of requirements to which activities the allocated funds should be spend. Thus, although the wide playing field of Puur Lokaal is used to attract different kind of funds, this also implies extra administrative weight to justify the different kind of criteria.

In addition, Puur Lokaal puts forward different terminology for different kind of financiers. In the business plan and in the applications to funds, Puur Lokaal is presented as a fresh market or a social supermarket. Both terms indicate a differentiation from a normal supermarket. However, in the loan agreement with the Rabobank (a mainstream bank in the Netherlands), Puur Lokaal is presented as a “supermarket”. So, although the Rabobank based the loan provision on the business plan, in the ultimate document the terminology which distinguishes Puur Lokaal from other supermarkets is not used. Even though the loan agreement is probably drafted by the bank and not by the people from Puur Lokaal, the fact that the board members of Puur Lokaal signed this agreement indicates their pragmatism towards financiers. In contrast, the communication to costumers needed to be very

consistently in the eyes of the people of Puur Lokaal, especially the executors.

### *Positioning towards costumers*

When the people of Puur Lokaal talk about their actions in relation to their environment, they often emphasized the need for a quick market establishment. Market establishment refers to achieving position in the market where you have a substantial market share. The main argument was that if Puur Lokaal achieves a position in the market, it can achieve economies of scale. Economies of scale refers to the division of fixed costs (such as assets and logistic infrastructure) over more products, which results in decreased costs per product. At the moment Puur Lokaal would achieve economies of scale, it is able to offer farmers an additional margin on top of the market price (often explained as the auction price). This extra margin would create the social impact (a fairer price to farmers) which is strived after. This social impact will in turn also strengthen the core-story and thereby Puur Lokaal as a concept. This logic can be visualized as a continuous circle, as visualized in figure 17.



**Figure 18: visualization of the logic of quick market establishment**

The speed of market integration was most strongly emphasized by the executors of the core-story and especially by Gerard, the main entrepreneur. During the meetings of the working groups, a multitude of metaphors which were used related to “racing” and “warfare”. Examples of racing metaphors were: “speed”, “winning the race” and “kamikaze”. Examples of warfare metaphor were: “guerilla actions”, “troops” and “winning the war”. The “racing” metaphors sometimes referred to the time pressure which was experienced in anticipation of the re-start. But the “racing” and “warfare” metaphors also were also reaction to the competition which was experienced by the mainstream supermarkets. The mainstream supermarkets were considered very strong in terms of their marketing and communication strategy, which was mainly focused on price and convenience. Puur Lokaal had to distinguish themselves from the mainstream supermarkets by clearly communicating their core-story.

In order to communicate the core-story of Puur Lokaal, a strong marketing and communication strategy was considered crucial. Therefore a large part of the budget was allocated to a team of 5 persons developing the marketing and communication plan, which functioned as the basis for the

development of a social media plan, the corporate identity, a new website and promotion actions. During the field work period, there were several meetings to brainstorm about the marketing and communication plan.

The communication plan focused on different type of communication according to the target group and “stage of involvement” of the consumer. The two target groups which were identified were: the cosmopolitans/post-modernist and the financially less well-off. The first target group was selected from a marketing point of view, based on a research from the marketing company *Motivaction*. The second target group, however, was selected from an idealistic point of view with the idea: local and healthy food should be accessible for everybody. In addition, customers were divided into different stages according to their involvement in Puur Lokaal. It was considered that the consumer should see messages at least three times before he/she would take action. For each stage different action to involve the costumers were made, including social media actions.

The main part of the marketing plan addressed the 7 promises to the costumer. During the weekly meetings, the text of these promises was discussed word by word. The promises had to be understandable by the mainstream costumer and should have the right tone. The quotes below illustrate this type of discussion between Gerard the communication and marketing expert of Puur Lokaal:

**Gerard** (looking at the powerpoint slide): what you have to add here is: invest in your health. “Later you will pay for the cheap stuff you buy now”, but than in other words. **M&C expert**: But the risk [of that statement] is that it will become too preachy.

All in all, although the foundations for Puur Lokaal were already laid with the draft of the business plan, the rethinking of values was very present in its daily organization during the fieldwork period. In order to make a success from Puur Lokaal, marketing and communication was considered crucial. The market and communication strategy was not only considered crucial in developing a community of costumers, but also in communicating their core values to other potential companies in their ecosystem.



## 5.2 The relational meaning of le Galline Felici

This chapter starts with a description of concepts that the people from le Galline Felici used to describe the relevance of their social enterprise. In the previous chapter about le Galline Felici, it became clear that Roberto li Calzi related all actors of le Galline Felici to the growing community. What is the mission and the impact of this growing community? I will analyse the evolving motivations of the people from le Galline Felici to engage in this community as well as reveal internal variation. In addition, concepts to describe the organizational style of le Galline Felici are discussed. I will analyse the identification of le Galline Felici with the solidarity economy and touch upon the discourse of “small is beautiful” which is dominant in the wider environment of le Galline Felici. Finally, I will analyse the way the people of le Galline Felici talk about their reactions to this dominant discourse.

### ***Desperation with conventional trade***

Roberto’s motivation in 2001 to start with direct trading stemmed a feeling of despair about conventional trade in agricultural products. In his talk, he referred to the economic situation in Sicily as one being dominated by “commercianti” or traders offering prices that were too low for a small farmer to survive. According to him, small farmers were left with only two options: close-down or be “swallowed” by the market, the latter referring to large-scale agriculture and a lack of autonomy attached to that.

This feeling of despair was shared by his network of farmers who joined his direct trade before the official start of the consortium in 2008. They were faced with the situation where it was often economically better not to harvest their fruits, because of the low prices that were offered by *commercianti*. The economic situation in Sicily after 2008 did not get better in the eyes of the people from le Galline Felici. In recent years, the *commercianti* had even become less dependent on the farmers, because they had bought big plots of lands and were thus able to keep prices low. One of the founders from le Galline Felici describes the worsening economic situation for farmers in Sicily:

About twenty years ago the sale was much easier. But of course the change was gradual. First, the “commercianti” came already in September to estimate the quantity of production and they pre-financed it, while the harvest was only in December. They approached us. Instead, we now have to look for them. The prices are very low. This is also due to the fact that many *commercianti* have bought land from the earned money [from trading]. They became less dependent on the other producers and can therefore keep the prices low. (founder le Galline Felici)

This worsening economic situation was very central in the environmental talk of the people of Le Galline Felici. They consistently talked about conventional trade in opposing terms. Also on the website of le Galline Felici on almost each page a reference is made to the bad side of conventional trade. *Commercianti* were described as “sharks” or people who do “everything to gain the highest profit”. The identity of the consortium was strongly opposed to the unfair and exploitative practices of *commercianti*. The consortium provided an opportunity to escape from this exploitation. This feeling is even expressed in their name: le Galline Felici meaning “happy chickens”. This name comes from a story of a group of chickens on Roberto’s farm which were coming from the battery egg industry. After a couple of days having walked freely on his farm, Roberto noticed that the chickens became much happier. The name happy chickens is therefore a metaphor from the freedom of exploitation by the conventional trade.

Furthermore, the conventional supply chain was considered to be too much driven by prices and having lost all important (ecological and ethical) values because of this. This for instance becomes

clear in a separate section on the website of le Galline Felici discussing two cases of “scandals in agriculture”. The first case addresses the exploitation of Romanian workers in greenhouses in Ragusa region on Sicily. The second case addresses the ecological damage which is caused by the herbicide Roundup in Argentina. Even though the first case is local and the second case is not, they are both considered as “scandals” being a cause of the organization of the conventional supply chain. This was contrasted by the consortium who tried to develop an alternative chain with solidary values.

### ***Developing an alternative supply chain***

This is a search without end, because the world of today is so infused with economic logic, greed and lack of respect of live. We are aware that we are not solidary enough, but we work on it step-by-step, so that more people can “afford” to pay for organic products and together create an alternative.

Above quote comes from the website page of le Galline Felici explaining the history of the consortium. “This” in the first line refers to the development of an alternative supply chain. It is presented as an “alternative” going against the conventional supply chain. The alternative supply chain is also called the short chain, whereby transport companies are the only link between producers and consumers and no other intermediate trading party is involved. In this short chain, both producers and consumers feel ownership of this chain, expressed as: “together create an alternative”. In addition, the process of developing an alternative supply chain is described as a process of becoming more “solidary”.

Values in the alternative chain are often labelled as “solidary values” by the people of le Galline Felici. In short, their conceptualisation of solidary values refers to caring for other people in the community. In the solidary economy, the development of human relationships is seen as more important than the delivery of products. In all the groups within the community of le Galline Felici there are practices which were labelled as solidary. For example, the consortium sent a couple of boxes with oranges more to a consumer group in France for the refugees in Calais. By way of another example, a referent forgave the consortium sending less products than ordered. He indicated that they would solve the shortage of products within the consumer group and that they would still pay the full price. Also farmers engaged in solidary practices, such as delivering in times of shortage and adapted their harvest schedule to the consortium.

The key meaning behind solidarity is that it concerns practices that are not regulated but come from spontaneous reactions on problems that other people of the community face. Sometimes these practices entailed being flexible, while some entailed offering something extra than strictly required. Like one worker of the consortium indicated: *“on top of the package of services offered by the consortium to the farmers there are synergies which are more informal”*. As the word “synergies” already conveys, reciprocity plays an important role in the conceptualisation of solidary practices.

The meaning of solidarity is also present when it comes to the relation to the non-human world. Organic agriculture is of key importance for the people of le Galline Felici; all the products that are traded should be produced organically according to the European legislation. However, the people from le Galline Felici often emphasized that organic “mindset” is more than producing according to this legislation. The organic mindset refers to a holistic mind-set in which the farmer takes care of the sustainability of his crops, the soil and the wider environment. Similar to solidary values, the organic mindset is something which should be embodied in all practices and is not restricted to those which are regulated.

### ***Little sweet revolution***

The creation of the alternative chain is ultimately about the process in which relationships between community members as well as relationships between the human and the non-human environment are re-established. According to Roberto, this re-establishment is revolutionary because it changes society fundamentally. He introduced the term “the little sweet revolution” to describe that this re-establishment does not happen overnight but is an everyday process of getting more solidary. On the current website of le Galline Felici, Roberto’s meeting with the GAS network in 2001 is described as the start of the “little sweet revolution”.

It is not just a "commercial" exchange, but it's sharing a project which will then be called the "little sweet revolution". Many are beginning to visit Sicily in order to know the life on a farm of human scale and amazing friendships develop from this. (text on the website of le Galline Felici)

However, at the website of 2004 this word was not yet mentioned, which implies that the term is introduced ad hoc to describe the extra things the direct trade brings about. This implies that the terminology has become stronger over time, especially in the presentation to the outside world. The term can be seen as an umbrella term (or: terminology) which captures both the process as the impact of direct trade (see figure 18). The impact will be discussed in the next section.

The people from the consortium did not use the terminology of the little sweet revolution as such, but did emphasize the shifting motivation of the members over time. For the members of the consortium, their initial motivation to engage in the direct trade was to sell their products against a better price. This is also reflected in the officially registered objective of the consortium, which is shortly to commercialize the products of its members.

For most members, this economic motivation gradually changed into “doing something more than just trading”. They became more aware of the positive aspects of direct trade. In contrast to their sale to *commercianti*, with the supply through the consortium they started to receive a lot of compliments about the quality of their products. In addition, personal meetings and friendships which are established as a result of direct trade. As Barbara, one of the founders, remarks:

So initially this kind of exchange is born to have a better economic trade [for both consumers and producers]. Later, this has developed. Because we didn't like to be involved in trade only. We also like to do another thing, right? (Barbara Piccioli)

However, this shifting motivations was not experienced by all people from the consortium in the same way. The people from le Galline Felici also indicated that not all farmers have the same motivations to supply to the consortium. Whereas some farmers see the consortium just as another channel to sell their produce, others share the mission to create an alternative economy. Even though new members should agree to share the foundational ideology (of solidary values and organic mind set), still not all existing members see the consortium in the same way, as the quote of a worker from le Galline Felici indicates:

The idea of the consortium is very different for everyone in the consortium. Some persons see the benefit of the consortium in a sequence of services. Other also give importance to the shared ideology. (worker of le Galline Felici)

The different motivations of farmers also show that there are different realities within the community of le Galline Felici. However, the terminology of the little sweet revolution is very

prominent in the presentation of le Galline Felici to the outside world.

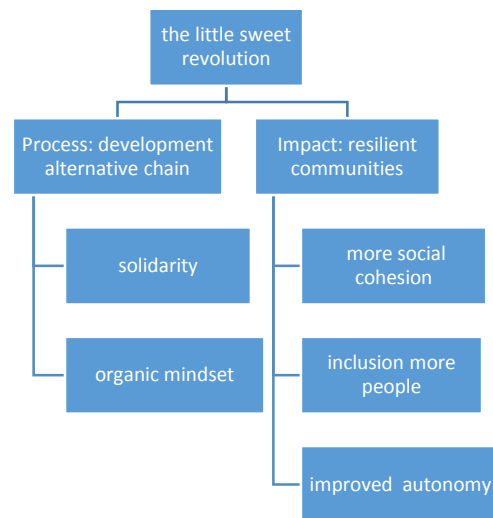


Figure 19: the little sweet revolution as terminology

### **Resilient communities**

As visualised in figure 18, impact the direct trade of le Galline Felici is creating resilient communities. By studying the self-talk of the people of le Galline Felici, resilient communities includes three main dimensions: 1) more social cohesion, 2) inclusion of more people and 3) improved autonomy.

First of all, through alternative supply chain new kind of relationships are established, which strengthen social cohesion within the network of le Galline Felici. During the years, a lot of members represented le Galline Felici during solidary economy fairs and came in touch with costumers. This participation strengthened social cohesion both within the consortium as well as within the community of le le Galline Felici. In addition, the horizontal structure of the consortium enables the members to come together for regular discussions, which strengthens social cohesion. In the same mode, the self-organisation of local GAS groups as a result of direct trade with le Galline Felici strengthens social cohesion in their local communities.

Secondly, the consortium has the intention to grow and sustain more farmers. By the people of le Galline Felici the need for growth is often talked of as a political dimension or a project. This is nicely illustrated by a quote of Roberto:

When I started this initiative, I could have said at a certain point: it's fine. I've sold my products. It's fine like this, I stay quiet. When we had started with the 10 of us, and sold all our products, we could have said: that's fine like this, we stay quiet. Instead, many outside farms called me and said: "Aah...I am desperate, the oranges cannot be sold". That's why we have searched to give an answer to a big number of farms. [...] It becomes a political project because it addresses also people who are outside, it doesn't only look to the interest of those who are inside. (Roberto li Calzi)

Figure 19 below illustrates this line of thinking. The initiative started with Roberto (the black spot) but over the years more farmers got included, visualized in the circles around the black spot. Right now the challenge is to include also the farmers who are outside, indicated by the black spots in the 5<sup>th</sup> circle. This growth is coming from inside, members from the consortium, as well as from outside, by the friends of le Galline Felici (solidary referents of consumer groups).

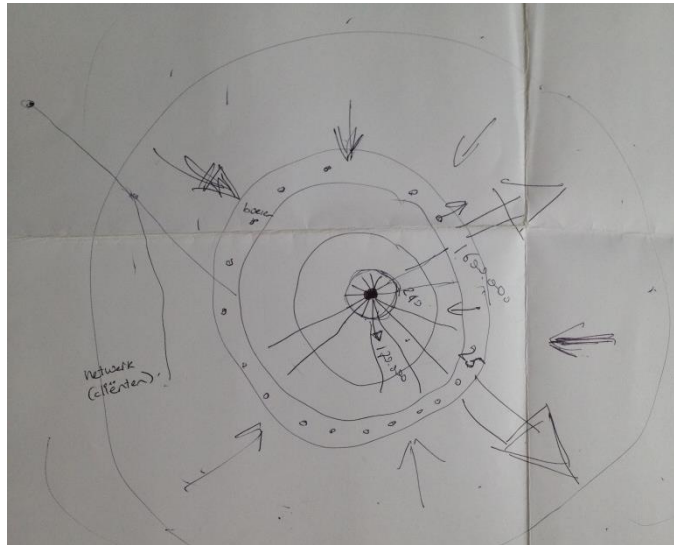


Figure 20: Roberto's visualization of the "growing community"

The dimension is mainly emphasized by the founders and the friends of le Galline Felici. As discussed in chapter 1, the founders are those who feel responsible for the growing community of workers, farmers and farmer's workers. As explained in chapter 1, the friends of le Galline Felici are the persons who are mostly concerned about how to do things differently than the conventional trading practices which lack important values. With the inclusion of more people in the community of le Galline Felici, the solidary values and the organic mind set are also spread.

Thirdly, the development of an alternative supply chain is seen as a bottom-up process which strengthens autonomy of community members. By the people of le Galline Felici it is considered important that change comes from within the community. According to them, within the short chain people have the power to organize themselves according to their specific context. According to Roberto, some organizational trouble was worth it when it gave the power back from big corporate structures to the people. The organization of local consumer groups creates liberty to steer the future of the community. This is also true for the consortium which is organized relatively egalitarian in which each member has equal voice. The organizational structure of the consortium will be discussed in the next section.

### **Organization**

Without an exception, the people from the consortium told me that in Sicily there is no culture of cooperation. In their eyes, Sicilian farmers are much more individualistic than farmers in other regions in Europe. There is a high level of distrust, which inhibits collaboration. Sometimes this distrust is linked to the prevalence of the mafia practices of bribery and extortion on Sicily, but mostly the lack of trust is presented as a given. The existence of the consortium, a group of farmers who engage in collective marketing, in this "individualistic" environment is therefore perceived as very unique.

The conception that their organization is a unique reality also comes clear from the pre-history of the consortium. As said in chapter 1, it took Roberto two years to convince his fellow farmers to start something official. A lot of the farmers who engaged in direct trade preferred to remain informal, since they could easily step out if there were any troubles. The creation of the consortium created a lot of confidence amongst the founders about the possibility of working together. Barbara, one of the

founders, described the process of founding a consortium as a big achievement:

Sicilians are very individualistic. So, what does this say: that a lot of diverse persons, with different character, with different personal stories....Because we are not children any more. The fact to decide to harmonize with different heads towards a common objective...was a big achievement. Very difficult...because there were also moments of clash, because the characters were too strong I believe. [...] But with our creation of the consortium, it was most important to show our ego that all the differences could work together. (Barbara Piccioli)

The risk of this selection is that the consortium could become an exclusive club of people and does not give space for people who are less active or have different opinions. This was confirmed by some insiders who argued that the challenge of the consortium is to remain open to farmers who have not been the pioneers in organic agriculture. Also some outsiders argued that le Galline Felici was as a closed group.

The consortium as legal form was chosen because it had lower bureaucratic demands in comparison to the cooperative. In addition, in contrast to the cooperative as legal form, it was possible to divide surplus cash amongst the members at the end of each year. Throughout the development of le Galline Felici the legal form of consortium was maintained and no legal changes were made. According to the people from le Galline Felici, the consortium as legal and organizational structure offered several benefits as compared to staying informal.

Firstly, the organizational form of the consortium enabled the process of professionalization of the short supply chain. The consortium allows for a collective arrangement of services for farmers (such as packaging, sorting, logistics and contact with consumers) under one financial administration and organizational team. With the growth of sales, several procedures got standardized and a division of labour took place. With the movement to a new warehouse in 2014, there came a clear separation between systems and people who were managing products coming "in" and systems and people who were managing products coming "out" of the warehouse. Furthermore, a separate system for processed food was developed and an employee specialized in food technology got employed to account for the food safety of processed goods. In addition, one employee started to work full-time on IT-systems to improve the efficient treatment of the orders.

Secondly, the organizational form of the consortium enables growth which suited the organizational principles from the solidarity economy. The official form of a consortium enabled the supplying farmers to become a member and to have an equal voice and equal ownership within the group. Through monthly board meetings (which are open for all members) and through quarterly assembly meetings, more knowledge exchange can take place. As a result, farmers could get knowledge about the short supply chain they would not have gained if they were dependent on a central trader. According to Roberto, considering the amount of sales in 2006, the trading became qualified as a commercial activity. In his perspective his central position as a "trader" did not suit the GAS mentality of egalitarianism any more. The identification with the solidarity economy is widely present in the self-talk of the people of le Galline Felici, as will become clear in the next section.

### ***Identification with the solidarity economy***

Descriptions of the solidary economy have been mainly embraced by the people from le Galline Felici. The solidary economy concerned all the consumer groups which took part in the Italian GAS network, and especially the critical thinkers who organized the annual meetings of the GAS network. After the first sales from Roberto to a GAS group in Torino, Roberto presented himself at the online

GAS platform in 2002. This resulted in a quick increase of direct sales. In 2004, he launched a website and presented the group of farmers as “the happy chickens”. The first message on this website was in Italian language and was directed to the current and potential GAS groups in North Italy at that time. The ideology of organic mind-set and solidary values, as described above, stood central in this message. Also many references are made to the worsening economic situation for small Sicilian (organic) farmers. This language strongly opposes the conventional trade and embraces the solidary economy.

However, descriptions of the solidary economy were not solely embraced. The attitude towards the solidarity economy became more nuanced after the consortium got more experience with different GAS groups. In 2011, also contacts to french consumer groups are established and with the growth of sales to France, also French webpages and French newsletters got developed. Over time, the experience of the consortium with French consumer groups got more positive than the experience with Italian consumer groups. At the time of field research, French consumer groups were considered to have a longer term perspective than Italian consumer groups. In contrast to Italian groups, many French consumer groups had systems in place which safeguarded the long-term existence of the GAS group. Implicitly the lack of concretization of ideological ideas in the Italian solidary economy was hereby opposed.

Moreover, the idea of “small is beautiful” which is present in the solidary economy was criticized by the people from le Galline Felici. The idea “small is beautiful” refers to the preference to sustain small groups of producers over large groups of producers. Not all GAS groups were happy with the growth of the consortium and some considered switching to smaller producers groups which they could sustain. However, a lot of people from the consortium argued that this idea was too romantic. One of the members thought the reason for this romantic attitude could stem from a Christian mentality:

There is this discussion that some GAS groups think that one can better remain small. If the consortium is getting too big, they don't need our help anymore. [...] According to me it's very deeply rooted. I think the background is religious. The idea in Christianity is: “you need to help everyone in need”. (member of le Galline Felici)

Opposed to the idea “small is beautiful”, the people from the consortium see themselves as a solid structure. This solid structure not only provides work places for many people in Sicily, it also facilitates the multiplication of GAS groups and therefore of experiences in the solidary economy. But how do they convince the people about this? The next section deals with how the people from the consortium talk about their reactions to dominant discourses in the solidary economy. Two discourses are discussed: 1) “solidarity in Sicily is a myth” and 2) “small is beautiful”

### ***Reaction to dominant discourses in the solidary economy***

#### ***1) “Solidarity in Sicily is a myth”***

Especially at the social route (described in chapter one), strong communication took place to align Le Galline Felici with the solidary economy in North Italy. The solidary theme in North Italy was considered much stronger than in Sicily and the need was felt to “import” this spirit to Sicily. This was done, amongst others, with the organization of two annual national GAS meeting on the island in 2009 and 2011, as Roberto explains:

Every year the national network of GAS organizes a national meeting. During the meeting of June 2008 I said: why don't we do it in Sicily the next year? They have told me: you are crazy.

In Sicily GAS is nothing. The solidary economy is located in Florence and Rome. In the South nothing happens. I said: I propose to do it in Sicily, precisely to import this theme to Sicily. In March of 2009 the association Siqillyah was born [...] with the spirit to sustain this meeting in Sicily. (Roberto li Calzi)

At the same time, with the social route Roberto wanted to proof that le Galline Felici is no myth. Thanks to the growing reputation of le Galline Felici and intensive communication with northern GAS groups le Galline Felici came more and more part of the Italian solidary economy. Roberto came to be considered as one of the key thinkers of the solidary economy.

In addition, also efforts were made to spread the familiarity with solidary trade and solidary values within the wider environment. This was often classified as “social projects” and included several different projects on different locations. One example of these social projects was the support of a sport facility in Librino, a poor neighbourhood in Catania (a city close to the warehouse). Another example was the organization of Cinefest: a short movie competition in which Italian school children could send short movies with positive themes in. I personally felt the need to classify the different social projects, but according to Roberto this was not possible since they were all connected. This is a representation of part of our discussion:

**Michelle:** in what sense does this social project in Librino have meaning outside Sicily?

**Roberto:** Well, I took six of these boys from the Librino project to the Cinefest in order to show them a different reality. In this way you see how everything is connected and it’s therefore impossible to draw boundaries.

In one way or the other, the social projects le Galline Felici engaged in were ways to demonstrate the social value of collaboration. Or, in the words of Roberto: “*our social projects show the world what we already do*”. That is the reason why Roberto emphasized the connections rather than the differences between different social projects.

## 2) “Small is beautiful”

The people of the consortium dealt with the discourse “small is beautiful” mainly by maintaining the dialogue with GAS groups. In personal contacts and through their newsletter, efforts were made to explain the added value of the consortium. As Roberto explains:

In this society there is an idea that small is beautiful. If it’s not small, it’s bad. This is a very stupid idea. But it’s very strong. So you must demonstrate every day that there are so many things you can’t do if you are small, if you are alone. The strength of our consortium is to be so many people altogether. But all of this must be communicated very well and very often. (Roberto li Calzi)

A lot of personal communication took place between the consortium and the GAS groups. Although there were systems in place which automatized ordering, still much personal phone and e-mail contact was held in addition to that. Also personal visits were held regularly. Roberto was the key figure in this communication and regularly travelled to the GAS groups to keep the discussion alive. At the time of my field research, a plan was made to organize a party in France where different GAS groups could meet each other. A similar proposal was made to the groups in Italy. By bringing the energy of the different GAS groups together, the people from the consortium hoped that the consumers realized the strength of being with many groups within the network of le Galline Felici.

All in all, the people from consortium constantly react to the ideas from the solidarity economy.



Whereas in the beginning the solidary theme was mainly “imported” to Sicily, with the increasing experience of le Galline Felici more of the solidary theme is spread from their base in Sicily, using the good reputation of le Galline Felici. With their growth of sales, especially after the move to a new warehouse, the people from the consortium also increasingly have to face the dominant discourse “small is beautiful”. Their main reaction to this is maintaining personal dialogues with GAS groups in addition to automatized systems.

### 5.3 Discussion

In line with actor-network theory (ANT), relational meaning of both social enterprises has been described. The value of this approach is to see how certain concepts that been adopted by the social enterprise relate to their environment. In line with the evolutionary approach, I have showed how the meaning of social enterprise co-evolved with dominant discourses in their environment. This gives more insight in till which extent the social enterprise adapts their identity to their environment.

Both social enterprises oppositional recognized the current food chain for similar reasons: unfair prices to farmers, unsustainable farming practices and the lack of meaning attached to farm products. However, in the self-talk of the people from Le Galline Felici the opposition to the current food chain is much more present as compared to Puur Lokaal. Within le Galline Felici there is a stronger discourse of liberty. The people from le Galline Felici entirely distinguish themselves from the exploitative character of conventional traders. For Puur Lokaal the identification with retailers is more nuanced. The retailers are seen as enemy and example at the same time. Although in different ways, for both social enterprises players from the conventional food chain are central to their ideology.

Similar concepts were used describe the ideology of Puur Lokaal and le Galline Felici, although the meaning behind them differed for both social enterprises. One concept which both social enterprises have in common is transformation. For both Puur Lokaal as le Galline Felici the mission is to transform the food chain. However, the perception of this transformation is different for both cases. For the people of Puur Lokaal the transformation of the food chain is only possible when an integral approach is used whereby multiple values are adopted which differ from the conventional food chain. Their business model is based on the combination of the green pillar, the social pillar and the pillar of participation which are elaborated in the business plan. The people from Puur Lokaal emphasized the need for a core-story which need to be simple and attractive to consumers, financiers and other businesses. In doing so, they used practices from the conventional food players, such as marketing and communication practices, in order to explain the difference of their business with conventional players in the food chain.

For the people of le Galline Felici the transformation of the food chain is only possible when the alternative supply chain is developed completely independent from the conventional supply chain. Their business model is based on solidarity values and an organic mind set, which are considered as lost values in the conventional supply chain. Therefore, the people from le Galline Felici perceive the search for their alternative economy model as a continuous quest to re-develop lost values. For the embodiment of solidarity values and the organic mind-set every day practices (in production, trading and consumption) are needed in which community members learn to care for each other and their natural environment. The terminology which Roberto li Calzi introduced to describe these everyday processes are "the little sweet revolution". Whereas the performativity of the business model from Puur Lokaal is mainly put in the (re-) writing of the business plan and communication & marketing strategy, the performativity of the business model of le Galline Felici is embedded in everyday practices.

Another concept which both social enterprises have in common is re-connection. In both social enterprises the concept of re-connection is especially central to the self-talk of the people of the social entrepreneur and became more important during the (pre-) history of the social enterprise. Based on the experience from his career and projects developed after that, Gerard Titulear from Puur Lokaal increasingly realized that citizens had to come in touch again with food production in the

countryside. In the pre-history of Puur Lokaal the green pillar had been dominant, in which re-connection between producers and consumers became more central. However, apart from this re-connection, little attention to social aspects were paid in the pre-history of Puur Lokaal. Because of the influence of several stakeholders, concepts like social inclusion of the poorest, the vitality of neighbourhoods and labour participation were adopted into the core-story of Puur Lokaal.

Also for le Galline Felici the concept of re-connection is key. Ever since the first sales in 2001, the people from le Galline Felici became more aware that the impact of everyday trading processes went beyond economic benefits and included personal meetings and friendships. In addition, Roberto li Calzi increasingly realized that re-connection is not only needed between producers and consumers, but also within the groups of producers and consumers. The friendship developed with several referents of consumer groups stimulated Roberto to become more aware of the impact of everyday trade processes for their network as a whole. Increased social cohesion, the inclusion of more people and the improved autonomy were not only positive impacts for the people from the consortium, they could also be applied to the dynamics between consumers and producers as well as within consumer groups.

In the creation of relational meaning, aspects of black boxing could be observed for the two social enterprises. An inquiry into black boxing (or simplification), which is part of ANT, shows how internal differences are negotiated and shaped into one external face. For Puur Lokaal internal variation can be seen in the importance given to the pillars. In the self-talk of different groups of Puur Lokaal, it becomes clear that Landwaard and Oregional (the initiators) were more focused on the green pillar whereas the stakeholders (the makers of the core story) were more concerned with the social pillar. In le Galline Felici internal variation can be observed in the importance given to the ideology of le Galline Felici. Whereas some members see the trade of le Galline Felici solely in terms of economic benefits, other members embrace the ideology and are concerned with the impacts of alternative trade on society. In general, the founders and the friends of le Galline Felici put more emphasis on social cohesion and including more people than the workers and normal members (which are no founders) of le Galline Felici.

As argued by Venturini (2010) simplifications require maintenance work. This could also be observed in both cases. To outsiders the three pillars of Puur Lokaal are presented in the business plan as equally important, while no reference is made to internal priorities. As for le Galline Felici, community building is always emphasized in their monthly newsletters to consumers whereas the internal different motivations are underemphasized or neglected. Thus, examples of performances which enabled black boxing were the presentation of the business plan for Puur Lokaal and presentation of monthly newsletters for le Galline Felici.

By analysing the concepts used to describe the organizational style of the social enterprise, an interesting contrast stands out. Whereas Puur Lokaal is described as a concept which should be multipliable in other locations, le Galline Felici as consortium is described as very unique and therefore impossible to multiply, at least not in Sicily. Puur Lokaal as a concept reveals the idea of careful design is perceived as an organization style whereby multiple layers can be split up. This perception of Puur Lokaal is based on earlier experiences of mother organization Landwaard as well as other examples of green concepts in their environment. The consortium of le Galline Felici is seen as an organizational style which enables growth which suited the GAS mentality of egalitarianism. le Galline Felici as a consortium reveals the idea of an umbrella under which gives space for professionalization while personal relations are maintained simultaneously.

Post-structuralism, as a sub-stream of social constructionism states that actors not only appropriate dominant discourses but also re-write it. This can also be observed for the two cases. In order to legitimize their ideology and organizational style, the people from the social enterprise have to constantly react to dominant discourses in their environment. In the environment of Puur Lokaal the discourse of positioning is dominant. The supermarkets have a strong position because of their marketing and communication strategy focused on price and convenience. The people from Puur Lokaal react on this by putting a lot of energy into developing a consistent marketing and communication strategy to costumers to emphasis their added value as compared to conventional players.

In the environment of le Galline Felici the discourse “small is beautiful” is dominant. By means of constant dialogue with costumers and social projects which are promoting the solidarity economy, the people from the consortium aim to convince their environment the added value of the consortium relative to trade with individual farmers or to conventional traders. They emphasize how many people are sustained thanks to the consortium. In le Galline Felici the payment of fair prices to workers and members is seen as a starting point of their business. By contrast, in the case of Puur Lokaal it is considered that fair prices (market prices with an extra margin) can only be paid to farmers if the organization has achieved economies of scale.

All in all, the people from both social enterprises are constantly engaged in the construction of their ideology and organizational style in relation to their environment. This identity construction has implications for the development path of the social enterprise and their relation to their ecosystem. The link between historical activities, the creation of networks and identity construction will be discussed further in the final discussion.

## 6. Discussion

In the introduction I have stated that social enterprises have the potential to address wicked problems in society because of their social primacy. It was assumed that social enterprises are in general more consciousness about the societal impact of their operations than commercial enterprises. At the same time, it was assumed that social enterprises have a dependency on the environment they are embedded in and need to legitimize their proposed solutions in this light. In order to research till which extent social enterprises are dependent on their environment, the following research question was formulated: *How do relations evolve between a social enterprise and its environment?*

The conceptualisation of environment was divided into two parts. In part I, the relationships between the social enterprise and their ecosystem (direct environment) were discussed. The creation of boundaries (sub question 1) and actions to shape interdependencies (sub question 3) can both be seen as part of co-evolving aspects between the social enterprise and the ecosystem. In part II, the relationships between the social enterprise and their wider environment were discussed. The relational meaning of the social enterprise in respect to their environment (sub question 2) and the reactions to dominant discourses in their environment (sub question 3) can be seen as co-evolving aspects between the social enterprise and their wider environment.

Below, I will show that while the identity of Puur Lokaal and le Galline Felici has been constructed relative to their wider environment and needs to be constantly legitimized, during their development both social enterprises have increasingly created their own network in order to become less dependent on their environment. An evolutionary perspective is taken, in which several evolutionary concepts are applied to social enterprises as proposed by During (2016). Firstly, I will discuss the different development paths of Puur Lokaal and le Galline Felici. Secondly, I will show how the identity of both social enterprises is constantly re-defined. Thirdly, the active involvement of both social enterprises in the creation of networks is discussed.

### ***Development path of the social enterprise***

In the development paths of both social enterprises, similarities and differences can be observed. As can be seen in the table 8 below, both the people from Puur Lokaal as well as le Galline Felici identified similar problems in the socio-economic transitions of the food system. According to them, the current food system is thought to be unfair to farmers, unsustainable for the environment and lacking meaning for consumers. They adapted to these problems by making use of a similar innovation: re-connection between consumers and producers using commercial methods. Both social enterprises were engaged in the establishment of a short food chain which roots can be traced back to their pre-history (for Puur Lokaal to 1998 and le Galline Felici to 2001). The business model of both Puur Lokaal and Le Galline Felici is based on social and environmental goals which can be linked to the idea of social primacy which is inherent to social enterprises.

However, differences can be found in the material position of the social entrepreneur in both cases, which is largely due to their different background. During his career at the Dutch agrarian organization (WLTO), Gerard Titulaer has gained a lot of experience in projects which aimed at the improvement of the position of farmers in the food supply chain. However, he is no farmer himself and sees his own role in taking temporary positions connecting with different partners, as is the case for Puur Lokaal. Roberto li Calzi from le Galline Felici has personally experienced deprivation as a result of the conventional supply trade and gained liberty in the development of direct trade with consumer groups outside Sicily. Since he is a supplying farmer himself, he has a permanent position

in the social enterprise. Moreover, since he has personally established contacts with many consumers, it seems difficult to think of le Galline Felici without thinking of Roberto.

The establishment of the legal status can be seen as a starting point in the development of the social enterprises. As shown in table 8 below, the legal status for both social enterprises are different as Puur Lokaal is a cooperative while le Galline Felici is a consortium. Both legal forms can be seen as similar since they serve the interest of their members and decision making is distributed. However, in the articles of association of Puur Lokaal social objectives have been integrated whereas in the articles of association of le Galline Felici they are not. Compared to Puur Lokaal, the social objectives of le Galline Felici can therefore be seen as more implicit. Despite the fact that their legal status does not equal “social enterprise”, the obtainment of a legal title can be seen as the moment whereby the social enterprise starts to become embedded in their wider environment.

**Table 8: evolutionary concepts applied to Puur Lokaal and le Galline Felici**

<b>Evolutionary concept</b>	<b>Application to social enterprise</b>	<b>Puur Lokaal</b>	<b>Le Galline Felici</b>
Gradual geological change	Socio-economic transitions	Current food system is unfair to farmers, unsustainable and lack meaning	Current food system unfair to farmers, unsustainable and lack meaning
Adaptation	Ability to address changing social needs	Re-connection by development core-story	Re-connection by development everyday trade processes
Epi-genotype	Business model	3 pillars (green, social, participative)	Solidarity and organic mind-set
Genotype	Legal status	Cooperative	Consortium
Phenotype	Organizational structure	Incubator/board Stakeholders Work organization	Founders/board Friends Members & workers
Variation	Change organizational structure	Withdraw incubator  Idea to multiply concept in other locations	Increasing number of workers, members and friends Idea that consortium is impossible to multiply
Mutation	Change in legal structure	Development business units under cooperative in 2016	X

However, after their legalisation, the development of its organizational structure is perceived differently by the people from the two social enterprises. First of all, the idea to which extent the development of the social enterprise can be planned differs. The development of Puur Lokaal is planned into different phases, in which the incubator (Landwaard) gradually withdraws their responsibilities towards Puur Lokaal. By contrast, the development of le Galline Felici is not planned as such, and the development of the social enterprise is only classified into the commercial versus social route. For both routes it is emphasized that more actors (members, workers and friends) become involved over time.

Secondly, the idea to which extent the social enterprise can be transferred to other locations differs. In Puur Lokaal, the idea of establishing a concept in the market is central. The meaning behind a

“concept” is an organization which is multipliable and composed by different building blocks which can easily be transferred to different locations. The change in legal structure, the legalisation of other business units under the cooperative, can be seen as a first step which facilitates the multiplication of Puur Lokaal to other locations. In le Galline Felici the idea of the consortium as key to a growing community is central. The consortium is being associated with collaboration which is thought to be very rare in the Sicilian economy. Therefore, the consortium is seen as very unique and hard to multiply.

### **Identity construction**

Till which extent are these different paths of the social enterprises are dependent on their environment? Although in different ways, the identity of both social enterprises is constructed relative to players from the conventional food chain. After the initial construction of this relational identity, both social enterprise constantly re-define their identity in order to maintain their right to exist. In doing this, they have to adhere to cultural aspects in the environment they would like to become embedded in.

In the wider environment of Puur Lokaal there is a strong focus on positioning new concepts into the market in order to proof that they are a real alternative to the dominant position of the supermarkets. The people from Puur Lokaal appropriate this discourse by arguing that in order to be economically viable a strong market and communication strategy is needed. The people from Puur Lokaal put a lot of effort in enacting their core-story into a strong marketing and communication strategy. In the formulation of this strategy, their identity is constantly re-written and re-defined. The rationale for economic viability is that when Puur Lokaal reaches economies of scales, this enables the payment of a market price with an additional margin to the supplying farmers. These “fair prices” can then be used to strengthen Puur Lokaal’s core-story (see table 9).

In the wider environment of le Galline Felici the idea that solidarity economy in Sicily was a myth had been strongly present, as the island was associated with mafia practices and distrust. The people from le Galline Felici appropriated this discourse by arguing that the establishment of the consortium is very unique in the Sicilian climate of distrust. In addition, they responded to this dominant idea by importing the solidarity themes from its roots in North Italy to Sicily by the organization of two national GAS (Gruppo Acquisto Solidale) meetings on Sicily. After years of alignment with people from the solidarity economy, le Galline Felici has become an established member in the solidarity economy. However, with the growth of the consortium, the people from the consortium feel they have to defend themselves to the “small is beautiful” culture which is dominant in the solidarity economy. This opposition is enacted by the development of social projects and a constant dialogue in which the added value of their consortium is presented. This stimulates long-term relations with costumers and ultimately improves the resilience of local communities who are part of the le Galline Felici network (see table 9).

**Table 9: evolutionary concepts applied to Puur Lokaal and le Galline Felici**

<b>Evolutionary concept</b>	<b>Application to social enterprise</b>	<b>Puur Lokaal</b>	<b>Le Galline Felici</b>
Fit	Economically viable	Core-story → Strong M&C → economies of scale → fair prices to farmers → core-story	Constant dialogue & social projects → long-term relations → resilient communities

For both cases a contradiction can be found in their identity construction. In Puur Lokaal there is an ideology of transforming the current food system. However, at the same time they adopt marketing and communication practices from the current food system. In le Galline Felici there is an ideology of solidarity which is based on caring for the community members. However, since it requires kinship or a lot of effort to establish personal relationships with the consortium, there is a risk that certain players (e.g. potential consumers, producers or workers) become excluded from this community.

### **Network creation**

To which extent do social enterprises determine their own development irrespective of their environment? Of both social enterprises it can be said that they actively influence their direct environment: the ecosystem. Both in the case of Puur Lokaal and le Galline Felici fuzzy boundaries can be observed. Fuzzy boundaries enable the inclusion of players of their ecosystem into the social enterprise. The incorporation of partners into the social enterprise is based on different selection criteria. For Puur Lokaal the selection of new people is based on locality. New people of le Galline Felici are selected based on the existence of personal relationships. The incorporation of partners into the social enterprise makes the social enterprise less context dependent, because some players of the environment can start to feel responsible for the development of the social enterprise. In the case of Puur Lokaal this is true for the stakeholder group in which (potential) partners of Puur Lokaal get involved into the making process of the core-story. In the case of le Galline Felici it are the referents of consumers groups which develop such close friendships with people from the consortium that they also become engaged with the future of the consortium and thereby become included in the community of le Galline Felici.

In addition, both social enterprises actively shape their ecosystem by manipulating the kind of interdependencies and kind of players in their ecosystem. In the case of Puur Lokaal, multiple interdependencies are created with their partners. The plan for its future is to establish a community of members which have to take over the supervisory role of the social enterprise. In the case of le Galline Felici, the formation of consumer groups is actively stimulated and the bundling of orders between consumer groups is promoted. The plan for its future is to introduce crowdfunding projects with the most active consumer groups in order to strengthen the relationships with these groups in the long-term.

Based on the proposal of During (2016) the evolutionary concept “selection” applied to the social enterprise was “environmental pressures on organizational structures”. However, in consultation with Roel During<sup>16</sup> I concluded that also reversed selection could take place in which the social enterprise selects their direct environment (or ecosystem). Therefore, in table 10 below, I changed the application of “selection” into “organizational pressures on the direct environment”.

**Table 10: evolutionary concepts applied to Puur Lokaal and le Galline Felici**

<b>Evolutionary concept</b>	<b>Application to social enterprise</b>	<b>Puur Lokaal</b>	<b>Le Galline Felici</b>
Selection	<del>Environmental pressures on organizational structures</del> Organizational pressures on direct environment	Selection people based on locality  Shaping ecosystem by multiple interdependencies	Selection people based on confidential relationships Shaping ecosystem by stimulation GAS groups and bundling orders

<sup>16</sup> Roel During is one of the supervisors of my thesis



So to which extent do social enterprises influence their own development and to which extent their development path is dependent on their environment? Based on the cases of Puur Lokaal and le Galline Felici, I would like to finish with the following statement: while the identity of a social enterprise is constructed relative to socio-economic transitions in their wider environment and need to be constantly legitimized in order to gain a right to exist in their environment, during their development social enterprises increasingly create their own ecosystem in order to become less dependent on their environment. This statement is in short the answer to my main research question.

This statement needs to be treated with caution. Since I conducted a qualitative case study, there is no intention to generalize this statement to other enterprises. However, it would be interesting to research to which extent the statement above can be applied to other cases of social entrepreneurship in Europe. In the conclusion I will point at directions for further investigation on this topic. In addition, I will nuance the answer to my main research question by reflecting upon the theoretical framework and methodology which were chosen. Taking into account that research is not independent and shapes reality, in the conclusion I will also pay attention to my role as a researcher.

## 7. Conclusion

Following the post-structuralist project of Gibson-Graham (2000), I viewed knowledge construction as multiple, contradictory and powerful. In order to see the outcomes of the discussion in this light, in this section reflections will be made on the potential and limitations of the research methodology and the theoretical framework. First of all, I reflect upon my role as a researcher and upon the influence of the type of research questions and the type of methods. Secondly, I will show the influences of the combination of the actor-network theory and the evolutionary theory in the theoretical framework. Thirdly, several suggestions for future research are formulated.

### ***Reflection on research methodology***

My role and vision as a researcher influenced the research findings in two main ways. Firstly, my language skills and cultural background highly influenced the type of data obtained from the field. At le Galline Felici I mostly communicated with the people in Italian language. Since my Italian was still very basic, during the conversations and interviews simplified language was used. Moreover, I could only understand the meetings and documents from le Galline Felici superficially because of language difficulties. As a result, there was a higher risk of losing information and misinterpretation for the Italian case than for the Dutch case. In addition, I was lacking a cultural awareness for the Italian case as compared to the Dutch case. During the fieldwork at Puur Lokaal, I could more easily recognize addressed developments, names of other players and contradictions and put them into context. For Puur Lokaal it was therefore easier to ask questions about naturally occurring data (such as meetings) than for le Galline Felici. All in all, as a result of these cultural and languages issues, the analysis of the Dutch case is much richer and more based on naturally occurring information than the analysis of the Italian case.

Secondly, my research interest steered the kind of data obtained and the presentation of the data in general. At the start of the field research, I stated that my research topic was social entrepreneurship and that I was especially interested in identity and historical development of the social enterprise. Because of my research interest, the informants might have put more emphasis on their social side of their identity and the societal impact of their activities than they would have done in their presentation to other actors. However, participant observation and informal conversations also enabled me to see contradictions in people's presentation of their identity and activities.

My research interest in social entrepreneurship also influenced the presentation of the findings in general. Seen from another perspective, the cases studies could have not been labelled a "social enterprise" but differently (e.g. community economy or social business). It has to be mentioned that often the people from Puur Lokaal and le Galline Felici did not provide the label "social enterprise" to their activities. The fact that there are called social enterprises in this thesis are a result of my interpretation. This is justified by the definition of social enterprises and the connection to the European research project on social enterprises as stated in the introduction. The labelling of both cases as social enterprises is important in the communication of my findings to other researches on social entrepreneurship.

The broad formulation of my research questions also highly influenced the type of data obtained. In the preparation for the field research, I deliberately chose for a broad formulation of the research question in order to avoid too structuralistic classifications of the relationships between the social enterprise and the environment. This resulted in the collection of a wide range of data. In the course of the fieldwork period, I tried to narrow down the research focus but due to insufficient time I did

not reach the stage of information saturation. Although the categories were narrowed down further at the stage of analysis, often I was faced with a lack of in-depth information. Considering the scope of the master thesis, in retrospect more assumptions and operationalization (e.g. about type of environment, boundaries, discourses, actions) would have been preferable.

Looking at the answer to the research question, one needs to take into account that this is largely based on the insiders' perspective (e.g. people who are considered inside the social enterprise). The methodological choice to conduct interviews and participant observation only at the field research site resulted in few occasions to talk to people who were considered outsiders to the social enterprise. Therefore, hardly any analysis is conducted from the outsiders' perspective (e.g. people who are considered outside the social enterprise). The focus on the insider's perspective makes it difficult to supersede the level of the social enterprise which is needed to answer my main research question. However, the familiarity with the research field due to participant observation allowed me to make interpretations which went beyond systematic analysis of talk. Moreover, the general cultural information obtained in the (pre-) research period also enabled me to place the results from the analysis into a wider perspective.

### ***Reflections on the theoretical framework***

For a master thesis, the theory building has been quite heavy as I combined post-structuralism as a general approach with the actor-network theory (ANT) and evolutionary theory (ET) as two theoretical frames. As stated in the theoretical framework, most studies of social entrepreneurship either adopted a positivistic approach or a case study approach without rigorous conceptual grounding. My theoretical framework has been an attempt to allow for the unexpected to happen while at the same aimed to transcend the empirical findings in order to increase our understanding about general mechanisms of co-evolution of the social enterprise and their environment.

The value of the combination of ANT and ET is that they both focus on relationality but in different ways. ANT is mainly concerned with how relational identity is constructed. It assumes that meaning and boundaries of the social enterprise are always relative to other actors in their (internal/external) network which need to be performed constantly. The main focus of ET is how the social enterprise becomes embedded in its environment over time. It assumes that relationships between the social enterprise and its environment becomes more complex (or institutionalised) over time.

Considering this difference in focus, both theoretical frames complement each other. ANT complements ET since it provides lenses to view the social enterprise as a network in itself next to an actor in their environment. This sheds light on the internal diversity and contradictions of each social enterprise. ET complements ANT because it shows the historical development of the social enterprise. Whereas ANT only emphasizes the performativity of meaning, with ET as a theoretical lens it becomes more visible how certain actions are a succession of each other. In addition, concepts from ET can be used to synthesise the different kind of relationships between the social enterprise and its environment. All in all, ANT causes diversity to be seen while ET allows for the supersession of empirical findings.

However, combining the two approaches has proven to be a complex task. For Part II I aimed to combine several dimensions: the time perspective (from ET), reactions to dominant discourse (from ET), relational meaning (from ANT) and black boxing (from ANT). It was a real challenge to simultaneously analyse for each concept when it emerged, how it developed, who adopted it (and who not), how it was relational and how it was put into action. Therefore, I decided to highlight only

some concepts as an example. The concepts that were chosen were those of which most in-depth information was available.

Despite my effort to combine several dimensions of each theoretical frame, some other dimensions of the individual frames are still hardly addressed. In contrast to many applications of the ANT, non-human actors received little importance in my study. The movement of food is a central activity in both social enterprises. Therefore non-human actors such as vegetables, trucks, assembly lines and software systems are also part of its network. The fact that I did not systematically analyse how those non-human actors play a role in the co-evolution of the social enterprise can be seen as a limitation of this study.

In contrast to the system perspective of ET, in my study only one social enterprise in its environment is researched for both cases. I hardly paid any attention to the establishment of other social enterprises or other kind of organizations, such as commercial enterprises, in the same environment. This is due to the study design in which I have chosen to study case studies in great detail whereby mostly the insider's perspective is gained. Therefore, little conclusions can be made how the environment is enabling for the studied social enterprise relative to other social enterprises or other organizations.

### ***Recommendations for future research***

As a recommendation for future research, a systematic literature review on the history of (social) entrepreneurship in their geographical region could add more body to the evolutionary approach. For this research only a limited literature review to the history of (social) entrepreneurship in Italy, Sicily and the Netherlands was carried out. This was used for the description of the different case study areas, which aimed at showing the reader how the enabling environment for the two cases were different. However, the literature review was not part of my final analysis. Therefore, in the discussions no reference is made to the history of (social) entrepreneurship in both study sites.

A systematic literature review on the history of (social) entrepreneurship could result in hypothesis explaining the behaviour of social entrepreneurship in different contexts. Based on my limited literature review, I could already come up with several questions for further research. In the Italian case this could for example be: how does the anti-mafia movement in Sicily relates to the social entrepreneurship of le Galline Felici? And in the Dutch case this could be: what is the influence of the tradition of agrarian cooperatives in the Netherlands on the social entrepreneurship of Puur Lokaal?

In addition, future research could test the validity of the theoretical distinction between the ecosystem and the wider environment. During the process data analysis, a distinction between the ecosystem and the wider environment emerged. This distinction made sense to me because the relationships between the social enterprise and their direct environment (the ecosystem) proved to be very different from their relationships with their cultural environment (the wider environment). In the discussion I stated that:

*While the identity of a social enterprise is constructed relative to socio-economic transitions in their wider environment and need to be constantly legitimized in order to gain a right to exist in their environment, during their development social enterprises increasingly create their own ecosystem in order to become less dependent on their environment.*

It would be interesting to see whether the different relationship between the social enterprise and its wider environment versus its direct environment can also be found in other case-studies on social entrepreneurship in Europe, for example those conducted for the EU funded project EFESEIIS (Enabling the Flourishing of Social Entrepreneurship for Innovative and Inclusive Societies). With the EFESEIIS project social entrepreneurship is studied in 10 countries from an evolutionary perspective. In the final stage of this project a large-scale comparison will be conducted in order to see mechanisms in regional development paths and mechanisms for the co-evolution of social enterprises in general. I hope that the outcomes of this study can serve as a source of inspiration for the large-scale comparison of the 10 European country studies.

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## Appendix A: List of initiatives in the Netherlands

<b>Name initiative</b>	<b>Description</b>
BioRomeo	Collective of farmers
De Buurtboer	Enterprise supplying business lunches
De Buytenhof	Multifunctional farm
Puur Lokaal	Food cooperative
Rechtstreecx	Neighbourhood chef concept
The Greenbee	Delivery service
Uit Je Eigen Stad	City farm and restaurant
Willem & Drees	Supply local, organic food to supermarkets
Zorgboerderij 't Paradijs	Multifunctional farm
Atlantis Handelshuis	Shop with local products
Puurland	Delivery local products
Geertjeshoeve	Multifunctional farm
Veld en Beek	Organic farm with direct trade
ONS land	Neighbourhood garden, gathering place and farm
Stadsboerderij Almere	Multifunctional farm in the city
Soestermarkt	Citizen market
Lazuur	Supermarket cooperative
Bussumse Groenteclub	Collection points fruit and vegetables
Oregional	Farmers cooperative
Lekker Utrege	Market and catering regional products
Stichting Lekker Regionaal Product	Foundation local products
Landmarkt	Market hall with fresh and local products and delivery service
Locaflora	Online market placet to buy and sell local food
Landwinkel	Farm shops in the countryside
Mariënwaardt	Multifunctional farm estate
Buurtmarkt Breedeweg	Market with local products

## Appendix B: List of initiatives in Sicily

<b>Name initiative</b>	<b>Description</b>
Portoditerra	Ecovillage (farming and sell of cheese, wine and olives)
Sementiindependenti	Seed bank
Il giardino delle belle	Permaculture garden
Arcolaio	Social cooperative producing organic confectionary
Libera terra	1600 associations, groups, schools, grassroots groups on terrain confiscated from the mafia
Aula permanent ecologia	educational and recreational services focused on horticulture and sustainability
GAS (Gruppo Acquisto Solidale) Catania	Local consumer buying group
GAP (Gruppo Acquisto Populaire)	Local market of regional products
Le Galline Felice	Consortium of organic farmers
Happy farming sicily/Terre di Palike	Farming cooperative
Fera Bio	Monthly market organic produce
Limone di Siracusa	Consortium of lemon farmers
Tri Que Trà Azienda Agricola	Agro-ecological farm
GAT (Gruppo Acquisto Temporale)	Platform for exchange local products

## Appendix C: Interview guides Puur Lokaal

### **Interview guide #1**

**Interviewee: Linette Mak**

**Interviewer: Michelle Steggerda**

#### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

#### Interview questions:

1. Can you tell me something more about the beginning of Landwaard and how you got involved?
2. What is the role of Landwaard in the development of start-ups?
3. Landwaard has built a large network in the course of time. How do you bind people to you?
4. How Landwaard presents her story to the outside world?
5. What organizations in its environment Landwaard has connections with and what are the borders of cooperation? How do you relate to the government?
6. Puur lokaal is the latest projects in which you are involved. What has been the main added value of Landwaard to Puur Lokaal so far?
7. I would like to do a visual exercise now. Can you all write projects initiated by Landwaard on these cards, and place them on this timeline? Can you indicate what the connections are between these projects and Puur Lokaal?
8. What is your ideal image of Pure Lokaal? How should Pure Lokaal look like in three years?
9. How long Landwaard will remain involved in Pure Lokaal?
10. Landwaard has seen many changes since the beginning of its existence: its employees, financing, and so on. Has this process been documented and can I get access to it?

#### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!

## **Interview guide #2**

**Interviewee: Gerard Titulaer**

**Interviewer: Michelle Steggerda**

### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

### Interview questions:

1. You have told me that the concept of Puur Lokaal is the result of accelerated insight. I have asked by mail to the milestones of Landwaard, Oregional and Pure Local. Can you tell something about your personal milestones - related to this new insights?
2. You also told me that the concept of Pure Local is largely inspired by other concepts. I have a stack of cards with names of concepts. Can you organize them first between "inspiring" and "non-inspiring" and maybe add some cards. Can you arrange the two stacks individually and explain your motivation?
3. I've heard about the pillars behind Puur Lokaal (social, participatory, green). How do you ensure that these pillars both internally and externally form a coherent whole?
4. In Puur Lokaal there are many stakeholders involved. I'm interested in the moment when they came in your network. Can these stakeholders (on cards) on a timeline and explain your relationship with them?
5. Finally, I am interested in the degree of formalization Pure Local. Can you tell me how the funding process went? Can you tell me what contracts are signed with whom? Can I have access to these documents?

### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!

### **Interview guide #3**

**Interviewee: manager Oregional**

**Interviewer: Michelle Steggerda**

#### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

#### Interview questions:

1. You told me that you have been part of Oregional from the beginning, and last year in march became the manager. What has been the biggest change in the working method of Oregional over the last couple of years?
2. You told me that Oregional and Puur Lokaal are two separate entities, but at the same time are interwoven to a certain degree. Could you explain me that this means?
3. I read on the website of Puur Lokaal that Landwaard and Oregional are the two parties who took the initiative for Puur Lokaal. How did this go?
4. Which input did you give at the board of Puur Lokaal at the time?
5. Why and how have you withdrawn from the board of Puur Lokaal?
6. Which similarities are there between Oregional and Puur Lokaal?
7. What would be the ideal role of Oregional in Puur Lokaal?

#### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!

## Appendix D: Interview guides le Galline Felici

### **Interview guide #1**

**Interviewee: Barbara Piccioli**

**Interviewer: Michelle Steggerda**

#### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

#### Interview questions:

1. In which cases can the consumer groups order products through a standardized procedure and in which cases do you have personal communication with consumer groups?
2. The total number of groups are 1063 according to the list one worker has showed me. What is the number of “active” groups?
3. Is it necessary to have personal communication with all consumer groups?
4. What are the main differences between consumer groups? Which groups are most solidary to LE GALLINE FELICI? How do they express this solidarity? Which groups do actively participate in the social projects of LE GALLINE FELICI?
5. Why do you think there has been a decline from groups in Italy and why do you think there has been a growth from groups in France?
6. Is there a limit to the amount of groups you can supply as LE GALLINE FELICI?

#### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!

## **Interview guide #2**

**Interviewee: worker from consortium**

**Interviewer: Michelle Steggerda**

### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

### Interview questions:

1. Why is it necessary to have contact so often with farmers?
2. What has been the most important changes in the contact with farmers?
3. Could you tell me more about the prioritization system for old members?
4. What is the main difference between contact with members and non-members?
5. How does the process of becoming a member look like?
6. I learned about different services that LE GALLINE FELICI offers to farmers: harvest team, pick up harvest, selection, packaging, marketing, transport. But also technical assistance, pre-finance, joint buying trees. What are the most important services of LE GALLINE FELICI to farmers according to you?
7. Has there been attempts to standardize contact with farmers (e.g. procedure management complaints and self-certification)?
8. One cooperative has recently been dismissed as member of LE GALLINE FELICI. What are the limits of loyalty to members from LE GALLINE FELICI?
9. What are the most important pre-conditions for growth of LE GALLINE FELICI?
10. How do you see your future role in LE GALLINE FELICI?

### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!

### **Interview guide #3**

**Interviewee: Roberto li Calzi**

**Interviewer: Michelle Steggerda**

#### Introduction:

- goal research
- goal interview
- time setting & permission record
- questions?

#### Interview questions:

1. What have been crucial moments in the development of LE GALLINE FELICI? Which (groups of) people were involved at these moments? [timeline with cards]
2. Why did you choose the legal form of the consortium? What consequences does this have for the organization, decision making and formal ownership?
3. Yesterday I've been to the farm of one of the founders, and he showed me the old warehouse. He said the change to the new magazine was also because of legal issues. Could you explain me more about it?
4. What are the main formal systems you have to deal with? Which one are limiting and which are helping you?
5. Recently you have made proposals for "co-production" and "creation of solidarity economy". Could you tell me how you got to these ideas?
6. How have the consumers reacted on these proposals so far? What are the potential obstacles for the success of these (main future) projects?

#### Finalizing interview:

- Any questions?
- Making arrangements about confidentiality and inspection
- Thank you!