

Organizational variety in market economies and the role of cooperative and social enterprises:

A plea for economic pluralism

Carlo Borzaga, Sara Depedri and Ermanno Tortia

To date, the dominant economic approaches have downplayed and marginalized the role of cooperative and social enterprises in contemporary market economies. This insufficient attention derives from the limited applicability to the case of cooperative and social enterprises of two of the main assumptions of orthodox micro-economic theory: the presence of self-interested individuals and profit-maximization as the only possible firm objective. The mismatch between theoretical assumptions and empirical evidence has led to underestimating the growth potential, weight and role of cooperative and social enterprises. An explanation for the persistence and growth of these organizational types has not been provided by institutionalism either. We thus maintain that the assumptions of the main theoretical models must be broadened to consider firms as coordination mechanisms of economic activities, whose stakeholders are driven by a plurality of motivations and display complex preferences. In order to manage motivational and behavioral complexity, cooperative and social enterprises develop specific organizational routines. They commonly pursue ambiguous objectives. They can envisage private appropriation while having mutual benefit goals and public benefit aims supported by altruistic preferences.

Côté nature bio: A worker cooperative confronted with the realities of the market in an emerging plural economy

Jacques Poisat, Daniel Goujon and Jean-Luc Mieszczak

The case of Côté nature bio, a small business in the Roanne area specialized in producing fairtrade organic cotton clothing, illustrates the difficulty cooperatives face in a plural economy in not neglecting their economic performance

(e.g. danger of erring into extreme activism, risk of bankruptcy) or political objectives (e.g. danger of erring into economic dogmatism, risk of going mainstream).

Opinions about voluntary organizations and political affinities

Lionel Prouteau

This article examines the influence of individual characteristics on opinions about voluntary organizations. Two recent surveys used for this study show that there is an overall high level of trust in voluntary organizations. However, the degree of trust among respondents tends to vary as opinions diverge about voluntary organizations more generally. The study shows that these differences are less related to the individual's social and occupational group than the individual's political orientation. In this respect, there is a clear difference between leftwing and rightwing voters. The latter appear to be more circumspect about voluntary organizations than the former. However, political orientation has little impact on participation in voluntary organizations. The article suggests that this finding reflects rightwing voters' reservations about the protesting style of some advocacy groups' campaigns.

The virtuous partnership between cooperatives and local government: The historic example of Emilia Romagna after the Second World War

Tito Menzani

In this article, the author analyzes the historic synergy between local government and the unique business form of the cooperative in Emilia Romagna, one of the world's bastions of the cooperative movement, from the end of the Second World War until the early 1970s. Cooperatives and government had a particularly close, almost exclusive, relationship between 1943 and 1950. Supported by various progressive political forces, and particularly by the Communist Party in Emilia Romagna, the cooperative movement played a crucial role in

rebuilding the country's moral and material foundations. Cooperatives helped modernize the countryside and business and overcome the housing shortage. Starting in the 1960s, the cooperative movement became only one of local government's various counterparts, although it continued to share with them the same drive for social justice. The author argues that this partnership injected ethics into the region's public life due to the ethical values that underpin cooperative practice.

Beyond the contract: Deploying the concept of the connection value in the policy-holder/mutual insurer relationship. The case of Macif.

Juliette Weber

The global change in the relationships between consumption actors characterized by the disappearance of the boundaries between the economic and the social prefigures the transformation of social ties and raises the question of the value that comes from market exchanges. In the mutual sector, the stakeholders have a special

relationship that transcends the traditional consumer relationship and brings a "connection value" to the market exchange that goes beyond the exchange value and use value. Its deployment in the service economy and more specifically in insurance remains fragmentary and partial. In this article we show that by deploying the connection value through the circulation of a certain type of good, value can be created that is related to the quality of the mutual relationship rather than the particularities of the insurance industry. To demonstrate this, we analyze the interaction between customer services personnel and policy-holders in the mutual insurance company Macif. Our findings reveal that the contractual relationship aims to establish an ethical relationship between the partners. We show that in order to create the connection value it is necessary to be able to "temper the alterity created by the contract" and that one of the conditions is allowing customer services representatives to work independently because the relationship involves the reciprocity of recognition. ●