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## Social Economy Futures in the Context of COVID-19

J.J. McMurtry  
York University

### ABSTRACT

This brief article explores two key questions that have emerged for the social economy in the COVID-19 context: 1) the nature of the relationship between social economy actors and the State, and 2) the possibility for social transformation going forward. This article engages with a dialogue entitled “Autonomous Community Action and Its Transformational Potential at a Territorial Level: An Ongoing Dialogue Between Research and Practice.”

### RÉSUMÉ

Ce bref article explore deux questions clés pour l'économie sociale soulevées dans le contexte du COVID-19 : 1) la nature du rapport entre l'État et les acteurs de l'économie sociale, et 2) la possibilité de transformations sociales pour l'avenir. Cet article se fonde sur un dialogue intitulé « L'action communautaire autonome et son potentiel transformationnel dans les territoires : un dialogue en cours entre les milieux de la recherche et de la pratique. »

**Keywords / Mots clés :** Social economy; The State; Quebec; COVID-19; Social transformation / Économie sociale; L'État; Québec; COVID-19; Transformation sociale

### INTRODUCTION

The dialogue between Professor Marco Alberio, Ophélie Couspeyre a research officer at the National Table of Community Development Corporations (TNCDC), and Érick Plourde Director General, Corporation de développement communautaire (CDC) de Lévis, which appears in this issue of *The Canadian Journal of Nonprofit and Social Economy Research* is a fascinating insight into some current debates and issues amongst Social Economy practitioners and academics in Québec. Specifically, the authors continue a discussion initiated at a global event in late 2020 on social innovation where the issue of autonomous community action in the COVID-19 pandemic context and the role of the State were engaged. I will pick up on these twin themes from the perspective of a researcher of the Social Economy and a person who, while familiar with the Québec context, does not live, research, or do community work in this province.

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The first issue is of significant historical importance to social and political movements: engagement with the state and its institutions and the nature of that relationship. Autonomy from the state is a significant feature of most definitions of the social economy (McMurtry, 2010, 2015). In Québec, however, the state and social economy actors have developed a rich practice of leveraging the power of the state to institutionalize and broadly support the social economy while the actors and organizations within it maintain significant autonomy. (The importance of this point in the context of COVID-19 will be addressed below). Specific to this history and practice is the development of community development corporations (CDCs), which are meso-level vehicles for autonomous community organizations to intervene in the social and economic issues of the region and leverage the support of the state. The mediation role of the CDCs—which allow for a clear separation or distinction between the state and the social economy while facilitating engagement between them—is fascinating and instructive to an observer from outside of Québec. While it would be fair to say that there are many points of contestation in this model, it has allowed Québec to develop a unique and robust social economy ecosystem.

Key to this ecosystem is an understanding of the distinction between “community action” and “independent community action.” Such a distinction in practice allows for the independence so valued by social economy actors without abandoning the transformative potential of larger state support. Specifically, the participants in the dialogue highlight the ways in which the multi-tiered structures of the social economy and their various relationships with the state allow for social innovation.

There is a strong and compelling argument, however, for a project of social transformation and independence from the state that is extremely relevant in the current context of the COVID-19 pandemic. One of the most interesting but under-discussed features of the pandemic is the significant turn toward the state-led direction and control of our social, political, and economic lives (e.g., shut downs and stay-at-home orders), which were largely inconceivable in the early part of 2020 and have now been normalized. Such an expansion of the state into every element of people’s lives has not been seen since World War II, and yet we have not as a society really been inclined (or allowed) to discuss this radical change or its implications. Instead, there has been a focus on imagining a “return to normal” as a balm for the ailment of COVID-19.

At the same time as we have witnessed this radical turn toward the state, we have also witnessed very public resistance by a variety of conservative groups and the rise of hate crimes directed at socially, economically, and politically marginalized or minority populations. This rise in hate crimes and a virulent and aggressive conservatism is on top of the significantly differential impacts of the pandemic, especially on those who are economically less well off. It is, therefore, notable that, outside of this dialogue, not much has been said publicly about those organizations and societal actors who have a different, social justice-focused program of social transformation but share a healthy desire for independence from the state without necessarily invoking confrontational approaches to it. This dichotomized discourse around the state during COVID-19 has not been helpful in thinking through the options for a post-pandemic world, which is urgently necessary. A CDC that functions as an intermediary between the state and the community in this pandemic context—offering “shelter” for independent community organizations while ensuring access to the resources and capacities of the state—could provide fertile ground for positive social transformation and future visioning.

The second issue that was raised by the dialogue is the COVID-19 pandemic’s potential to create an opportunity for societal transformation through social innovation utilizing the flexible organizational tools such as CDC’s and the unexpected societal willingness to alter “the rules of the game.” Specifically, the participants in the dialogue helpfully encourage readers to think differently about our obsession with novelty, especially in times of crisis. Too often innovation is assumed to be the ability to create new and unique solutions. This is one meaning; just as importantly, and probably just as often, innovation is the rearticulation or reorganization of existing tools and methods. In this light, we can reconsider the potential of intermediary institutions such as CDCs because they can facilitate the institutionalization of community innovations, relieving independent community organizations of the pressure to both maintain and innovate in a context of scaled-up

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need. Further, the role of CDCs as hubs of sharing best practices can be viewed as critical during a crisis. One of the biggest impacts or losses from the COVID-19 pandemic is the exponential increase of the individualization and atomization of social actors. Exhaustion from online engagement is real, but not often discussed is the almost total erasure of collective conversations, learnings, and informal informational exchanges during the pandemic; the loss this represents for social economy organizations is monumental. This near elimination of social learning has been combined with an increased demand for the services provided by social economy organizations during COVID-19, the inequality mentioned above, and the absolute exhaustion of workers and community members.

The ability of organizations to “turn on a dime,” as the authors say, is remarkable, but the important question is: what comes next? There is no quick return (if ever) to a pre-COVID-19 era, and the question the dialogue authors raise is an important one: how are we going to leverage the learnings from this period to continue social innovation in our new COVID-19 world? The issue of state funding also looms large; the budgets in Québec and elsewhere did not “reward” the social economy community for its heroic work during this pandemic, and the concern is that we may be in for a long period of austerity. Perhaps it is time to reconsider the concept of anchor institutions in light of COVID-19 and work toward a model where state-supported institutions, such as hospitals and universities, turn their purchasing power toward social economy organizations. Further, there is the possibility, as the dialogue mentions, of the state better understanding the crucial role social economy organizations play in the face of a crisis, and better connections have been established between state organizations and community organizations at an operational level.

As the dialogue encourages, it is important to internalize the idea that after the COVID-19 pandemic, we cannot return to normal in terms of the lack of state support for social economy organizations. Indeed, we need to work to ensure that the state adopts a position of robust recognition and funding for the social economy sector—a promise made long ago by former Prime Minister Paul Martin when he said, “we intend to make the social economy a key part of Canada’s social policy toolkit” (Social Enterprise Ontario, 2021, para. 3) and announced \$132 million in funding (which never fully materialized) in his government’s throne speech.

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## ABOUT THE AUTHOR / L’AUTEUR

J.J. McMurtry is currently serving as Dean of the Faculty of Liberal Arts and Professional Studies at York University. He has been researching and writing about the social economy for over 15 years and has been an active practitioner in social economy organizations for most of his life. Email: [jmcmurtr@yorku.ca](mailto:jmcmurtr@yorku.ca).