

THE INTERCULTURAL CITY - MAKING THE MOST OF DIVERSITY

Thematic Study

**Social Entrepreneurship as a Space for
Intercultural Communication and Innovation.**

LISE BISBALLE

1. Setting the scene

Cities are challenged by global competition, by demographic changes and by citizens representing a rich diversity of cultural backgrounds and histories. Globalisation and multiculturalism is not like flu, which passes – it is our reality, and the sooner we realise this the better. We live in a time characterized by individualized lifestyles and preferences; we are culturally influenced by new technology, increased mobility, languages, arts and consumer goods.

According to Charles Handy, culture can be simply described as “the way we do things around here.” Today there are many ways we do things around here. The Other is very close.

Cities today are characterized by poor multicultural areas with high unemployment and crime rates and by racial tensions; problems that spring from a social polarisation in which the difference between rich and poor increases, dependent upon access to or exclusion from jobs in the knowledge economy.

The question is how can cities respond to these challenges as globalisation changes the conditions for production under which innovation becomes the basis of productivity. It requires a critical mass of creativity, talent, knowledge and the ability and skills to network and cooperate both locally and globally in order to create the power of innovation, which is key to fostering workplaces and social cohesion in the future. Cities need to find ways of activating resources.

Culture as a resource can be creatively tapped to generate human and social capital.

There are a lot of concerns in our time about how to respond to fragmentation and individualisation. In this new economy, values such as social responsibility, solidarity and social cohesion will become just as important factors as the levels of wages and taxes for attracting a talented workforce. Whilst the most obvious location for intercultural exchange and innovation is in the high tech industry and academia appealing to highly-skilled and well-connected people, the field of social entrepreneurship also provides many opportunities for economic, social and cultural innovation.

Social entrepreneurs have something to offer to urban development for many reasons. There is a current debate among researchers on how to define social entrepreneurship and this paper will present some of the definitions that form the discourse. In much of the literature, the motives, organisations and performances are mirrored in private sector norms and frameworks. There is very little to be found though when it comes to literature on methods on how to measure the impact and the value added to the work of social entrepreneurs.

I aim to demonstrate why and how social entrepreneurs are important players in the development of the economic, cultural and social well-being of the city, and that the intercultural social entrepreneurs produce values - and value - at the same time to create social goods and capital for the benefit of the local community. Against the background of 5 cases from different cultural settings I will discuss the intercultural, social, economic and innovative dimensions of intercultural social entrepreneurship and whether it is worthwhile for cities to invest in the work of social entrepreneurs.

2. Social economy and social entrepreneurs

Professor Roger Spear, one of Europe's leading researchers within the fields of social economy and social enterprise states that there are around 900,000 enterprises and that approx.10 % of Europe's GNP (EU15) stems from activities within the social economy. In 2001 a total number of 1,622,962 equivalent to 8, 42 % of salaried civil employment participate in the social economy in the UK.¹ The activities fall neither in the public economy nor the private market economy. The social economy - also known as the third sector- has generated substantial employment and is one of the fastest growing sectors in Europe.

The enterprises in the social economy take various forms of organisations ranging from co-operatives, associations, charities, non-profit organisation and limited companies. Recently, new organisational constructions have emerged such as social co-operatives in Greece and Belgium and Community Interest Companies (CIC) in the UK.

The term social entrepreneurship has been developed in USA, and is primarily applied to the non-profit sector. This perspective is about – at least to a certain degree – transferring and applying the tools and performances, which are characteristic for the traditional business entrepreneur, to the non-profit organisation or to establish business ventures between the private enterprises and non-profit organisations. But whilst the traditional business entrepreneur is driven by an “economic man” rationale, one who exploits opportunities for his own utility, the social entrepreneur exploits opportunities in order to respond to social needs and to make social changes for the better. The profit that is made by the social entrepreneur is reinvested in the local community in contrast to the business entrepreneur whose surplus is distributed either to shareholders and/or owners.

Organisations such as the Swab Foundation, Ashoka and the Scarman Trust promote social entrepreneurship worldwide. Some writers² even talk about a Giddens-inspired international movement – a Social Entrepreneurship Movement (SEM) that promotes partnership between the public, private and the third sector as an answer to tackling social problems and as future welfare service providers

Charles Leadbeater³ presents a different approach, as he sees social entrepreneurship as a response to government failure within social and labour market policies. The social entrepreneurs identify needs, address issues of social exclusion and unemployment, and respond by developing innovative methodologies and practical schemes in order to meet those needs.

The European EMES network of researchers has developed a definition of Social Enterprises that connects a European understanding of social entrepreneurship to a new kind of social enterprise. According to EMES a social enterprise displays the following characteristics⁴:

- A continuous activity producing goods and/ or selling services
- A high degree of autonomy
- A significant level of economic risk

¹ Roger Spear (2001:253) Co-operatives 127,575 (0, 66 %), Mutual companies: 22,387 (0,12 %), Associations: 1,473,000 (7,65 %).

² Beth Cook, Chris Dodds and William Mitchel 2003

³ Charles Leadbeater 1997

⁴ Jacques Defourny: 2001

- A minimum amount of paid work
- An explicit aim to benefit the community
- An initiative launched by a group of citizens
- A decision-making power, which is not based on capital ownership
- A participatory nature, which involves the persons affected by the activity
- Limited profit distribution

Throughout Europe, an increasing number of social enterprises have emerged during the last 15 years as a result of national and European policies. According to Roger Spear, the new social enterprises in UK have been closely linked to social movements. Similarly, market and State regulatory failures in the retailing of financial services have been major factors in the rise of credit unions and LETS schemes. There has been considerable interest in the intermediate labour market approach, which is a job combined with training that is only available to unemployed people for a limited period of time. There has also been a resurgence of interest in community businesses, where members of the communities own and control the community business and develop various projects providing local services and employment. The idea about community businesses has been successfully transferred from rural areas to inner city areas.⁵

Social entrepreneurs predominantly operate within six areas:

1. Voluntary work and support functions and self help groups
2. Social, democratic and co-operative entrepreneurship
3. Employment and social inclusion and coherence
4. Local development and urban regeneration projects
5. Environmental issues
6. Communication and advocacy

The vast majority of enterprises exist to help a particular group of people either through employment or by providing goods and services. Many social enterprises are complex organisation and are financed by a mix of resources. Social enterprises can sometimes be mistaken for a natural stage of capitalism, as private businesses are forced to bring ethical and social issues in play thus catering for increasingly conscious consumers. The social profile of the private enterprise is becoming an important competitive parameter. But it is mostly about marketing and can be described as charity and image-boosting rather than social enterprise.

It is a common argument among researchers that organisations within the social economy are fundamental tools for the local community when difficult and complex economic and social problems have to be handled. As economic players, these organisations and enterprises are creators of growth, welfare and employment. And as we shall see, the social entrepreneurs have a broader impact in the community and play an important role as agents of change, creators of innovation, mediators of intercultural communication and generators of economic and social capital.

⁵ EMES website: <http://www.emes.net/en/recherche/emes/royaume>

3. Examples of intercultural social entrepreneurship

This section presents examples of social entrepreneurship that is founded on the principles of interculturalism and committed to breaking down cultural barriers, but at the same time also grounded on firm economic arguments about entrepreneurship. The intercultural social entrepreneurs form a segment within the field of social entrepreneurs. I will present cases from different locations and refer to organisations, projects and people I have come across through visits, interviews, reports, articles and Google surfing. They are examples of projects and initiatives where intercultural communication has proven to be a strong tool in empowerment processes and for building bridges across cultural boundaries. Motivations for many of the intercultural social entrepreneurs are that they are or have experienced discrimination or intercultural tensions. There are 5 cases from four cities in Europe involved this study.

It all starts with an individual and a response to social and intercultural challenges

“Common across all definitions is the fact that the underlying drive for social entrepreneurship is to create social value rather than personal and shareholder wealth (.....) All are characterized as having a strong desire to be in control and influence their environment; they experiment and have a high tolerance for uncertainty.” Austin et al: 2003.

A social entrepreneurial initiative is mostly the result of the energy of a single individual or a group of people. Somebody launches an idea or vision, a response to a need and this communication triggers something. It creates energy, relations and connectedness between people within the community. Such an atmosphere will often have an evocative effect. Other people get excited and involved and provide resources - working hours, services, goods - to both an exciting project and to people with enthusiasm.

A social entrepreneur works in an entrepreneurial way. They are what could be called fiery souls, and they are people who give their life's blood to the project because it makes sense, it is for the benefit of the local community and because it contributes to creating social or environmental sustainability. One typical motive is that things can be done better and often initiatives are implemented against all odds.

The initiatives pop up, function, develop and then disappear when the objectives are reached or the resources have come to an end. Maybe the social entrepreneur re-enters the stage in a new organisational or geographical context. Other initiatives are institutionalised over time and are adopted by the private or public sector or institutionalised as social enterprises.

Oh, you don't live in the Teviot do you?

The May 2005 edition of The Big Issue⁶ featured a successful social entrepreneur, Crissy Townsend - a former unemployed illiterate single mother. The East London Teviot area - locked between a railway line, an industrial waterway and A12, had all the characteristics of a deprived housing

Sam Hart. The Big Issue May 2005

estate: High level of crime, an overrepresentation of single parents, drugs and unemployment coupled with a reputation for racism - in short, a no-go area. Shops left the area and there were no health service or entertainment venues. And with no bus route and the nearest public transport 15 minutes away, the 3,400 residents really felt isolated and ignored by the local authorities. In the article she says:

“It was like living on an island. Although Canary Wharf is nearby, we felt that we were in a different zone – in a different age as well”. In 1997, Crissy Townsend had had enough. She took a roll of wool, marked a bus route on a map and got 7,000 signatures supporting the need for a route. And she got it!

The success inspired Crissy Townsend to establish The Teviot Action Group involving other residents who wanted a change in the area. One of the unused shops was taken over and became headquarters for the group. Slowly, the process of the rebuilding of a community began. At the same time, the estate’s new social landlords, Poplar Harca, had taken over the homes from London Borough of Tower Hamlets and they began a rebuilding programme. A partnership with Townsend was established and in spite of having no money and few resources, activities emerged from the shop.

Now the estate has a formidable range of educational, recreational, nutritional, financial, job-finding and caring activities for all ages, which have brought the disparate community together. The shop that was taken over in the beginning is still the headquarter for the Teviot Action Group, and other activities take place in a community centre, which has been established recently. The Teviot area has changed remarkably and is now a forward-looking multi ethnic area. This was only made possible due to the engagement and determination of a social entrepreneur.

Oh, you don’t live in Jennumparken, do you?

Kulturkælder in Randers, Denmark, started as an experiment in 1987 and established itself as independent institution in 1988. Randers is a typical industrial town, known for its train factory, agricultural machinery, gloves, salmon and... crime.

As in many other towns and cities big co-operative housing estates were built in the outskirts of the town in the late sixties. At that time there was a vision that working families should have access to big and healthy apartments, fresh air and parking places for all. everything was going well. The 1970s oil crisis and the economic recession that followed created a completely different situation than the planners had envisaged in the housing areas though. They became characterized by high unemployment, overrepresentation of single parents, crime, drugs and many empty apartments. Tenants were constantly transiting the areas and there were difficulties in renting the apartments out. The Jennumparken estate developed such a bad reputation that an address here meant no credit anywhere. It became socially unacceptable to live in Jennumparken.

It was also here that the Turkish workers, who came to the town in the late sixties, moved. They were primarily employed in the iron industry and many of them had brought their families to the town as the dream of returning to their home country was abandoned. When the massive influx of refugees in mid eighties started, there were also directed to the empty apartments in Jennumparken and within a short period of time this created a completely new situation in the area.

The challenge of cultural, social and economic integration was what Kulturkældereren was set up to respond to. Questions like how to define understand integration or how many immigrants and refugees a housing area could host were in play. There was a fundamental lack of knowledge about the different cultures that the refugees and immigrants represented, and there were linguistic and cultural barriers, which hindered the involvement of the new residents in the activities of the area. The fact that not all refugee groups shared equal popularity, the harassment of children with immigrant background and emergence of radical groups of white youngsters, contributed to the environment in which Kulturkældereren started to work.

One of the prerequisites for a successful integration is the possibility for networks that has been lost due to flight or migration to be re-established. In the Danish Refugee Council, where I worked when I developed the Kulturkældereren project, we had tried to establish contact family systems coupling refugees with Danes. Our aim was to support the re-establishment the refugee's network and via personal contacts and cross cultural social activities to expand knowledge of their individual cultures. Our experience was that many of the contacts came to an end after a few meetings, and that the relationships only became sustainable and expanded if people had something in common.

The objectives for Kulturkældereren were to visualise cultural resources and to create a positive dialogue between Danes and immigrants and refugees. Furthermore to create access to the labour market for the unemployed by offering training programmes, job training schemes and platforms for alternative employment.

So apart from establishing a base for the project in a cellar in the estate, one of the first activities in the project was to establish an open workshop. The idea was to redefine the village well - a place where you meet for a certain purpose - and where you exchange news, gossip and build social relations and network. I am a trained weaver and before working in the Danish Refugee Council, I worked in my own studio for over ten years. I brought all my equipment to Kulturkældereren and combined with materials and furniture financed by grants from different sources, a textile work shop was established. The activity appealed to a lot of the women in Jenumparken, and the theme was well known and, more importantly, identifiable across cultures.

In the beginning the workshop was a women only environment, which created a safe room for the women and therefore acceptance from their husbands. By doing something together of mutual interest the women developed their language skills, their curiosity was stimulated and their insight into the Danish society grew. Furthermore friendships were established across cultures.

From this workshop a great number of projects and courses were developed over the years. They range from overall urban development projects to basic language training combined with practical artistic activity, pre vocational training and training of entrepreneurs to activities for children and elderly people. The intercultural aspect has always had a high priority, and the projects were designed in a way that cultures were communicated and resources exposed.

In 2006 Jenumparken is an attractive multicultural and socially balanced area with a lot of activities based on the tenants own initiatives. The image of the area has changed and the folks living are proud of their area.

Roots and Routes.

In Tuzla, Bosnia, the Bosnian Handicraft Enterprise⁷ emerged in the aftermath of the civil war. The Swab Foundation has appointed the women behind the enterprise, Leila Radonci, as an outstanding social entrepreneur in the 2005 competition. She developed her ideas when working for the Norwegian Peoples Aid with the task of managing one of the first refugee settlements in the Tuzla Region. The camp held many traumatized women – predominantly single – as their husbands as well as other family members had been killed in the civil war.

Many of these women knew traditional handicrafts such as knitting, crochet and embroidery and they used them to create new products that appealed to domestic as well as international markets. Now the Bosnian Handicraft enterprise employs 500 women from different groups including Croats, Muslims, Serbs and Kosovars. The products of the enterprise – clothing, fashion, accessories, home furnishing and traditional Bosnian handicraft, are sold to famous designers and customers, such as Neiman Marcus and the Sundance film company, and the Bosnian Handicraft Enterprise almost finances its activities via production and sales.

Whilst the initiative was originally meant to provide therapy for a group of traumatized women it developed, over time, into an expanding enterprise, where the women's cultural background, resources and skills were allowed to unfold thus creating the platform for future incomes.

Almost at the same time the “This is my Story”⁸ project emerged within Kulturkælderren. Its objectives were to respond to an extremely high unemployment amongst ethnic minority women; to uncover hidden personal resources, visible and acknowledged neither by the individual woman herself nor by the community in general; and to challenge stereotypes and to bring different perspectives into the debate about integration, employment and urban regeneration. The idea was to train unemployed and isolated women to create tapestries illustrating part of their cultural heritage and at the same time instil language, social, intercultural and entrepreneurial skills and competencies. Through a high quality exhibition, the project aimed at cooperating with mainstream cultural institutions in order to reach a wider audience. Finally, the project aimed to develop alternative platforms for employment of women, whose chances for employment in the ordinary job market were very poor.

The project taught the use a loom and the different drawing, composition and weaving techniques needed to produce a tapestry. The tapestries formed a rich and varied exhibition, which have been exhibited at museums and galleries in other cities in Denmark and Europe. Pieces have been sold and the income from the objects on sale and the takings from the exhibitions have been used to co-finance the predominantly European funded project. Many women have been trained over the years, and the project has paved the way to employment or further training and education.

⁷ The Swab Foundation 2005: Outstanding Social Entrepreneurs

⁸ Lise Bisballe, 2006.



Sarajevo Atmosphere.

One of the tapestries in the exhibition is the *Sarajevo Atmosphere*.⁹ It is designed and woven by group of traumatized Bosnian refugee women, who also got help from family and friends in order to get the details right. The tapestry captures the spirit of Sarajevo before the outbreak of the civil war in ex-Yugoslavian. Sarajevo – a city where Muslim, Christian and Jew lived together in peace and harmony. The tapestry pictures midnight in Sarajevo against the backdrop of the mountains Ingman, Bjelasnica and Jahorina. The church bells ring, the imam calls the faithful to prayer, and the rabbi blows his horn. Clearly seen in the foreground are the mosque with its tall minaret and splendid copper dome and the Orthodox Church with its tower. The background is dominated by the Catholic Church and the synagogue with the Star of David.

⁹ Ushma Chauhan Jacobsen 2000.

Every spectator is a participant

Pukaar¹⁰, a social enterprise in Southampton in UK, builds on music and seeks to promote intercultural communication and understanding. The enterprise is a multi-ethnic and community-based, and is promoting new talents from the local area in and around Southampton. Pukaar is created by the musician Romail Gulzar, who wanted to give new talent the opportunity to perform live on stage before the community at Pukaar Curry Parties, one of Pukaar's regular activities. The idea about establishing the "Curry Parties" sprang from a conversation Romail Gulzar had with a white couple, who told him they felt awkward and embarrassed, when they were together with people from black communities.

In February 2004, Pukaar was officially recognised as a UK charity organisation by the Charity Commission and Pukaar has been supported by a grant from UnLtd¹¹, an organisation distributing Millennium awards to social entrepreneurs. The vision is a "*desire to bridge the gap between different ethnic communities, and the vehicle for this is the music of Pukaar.*" The Trustees of the organisation have been invited to take up the role on the basis of their involvement in the project, involvement in the community, and the donations and experience they bring.

As managing director of the enterprise, Romail Gulzar has recruited a band of musicians from among Asian and British contacts and friends, which regularly plays live at the Pukaar Curry Party and other events. The age range of the members in the band is from 15 to 84 years and is involved in a wide range of activities aimed at promoting the project: paid performances, fundraising events, community radio, local commercial TV and radio appearances, music workshops for aspiring musicians, recorded music and Pukaar Curry Parties or other multi-cultural events. Pukaar's managing director describes the result of the social enterprise in the following way:

"We had English people who made Asian friends and others who made new acquaintances with people from other cultures. Pukaar's regular curry nights were also managing to break down cultural barriers. We are now drawing in hundreds of people from over 15 nationalities."

An intercultural approach to urban regeneration.

For this section I have chosen to present the Underværket project also from Randers in Denmark. Underværket means "The Wonder" - no more, and no less. The idea of establishing Underværket was generated at the grass-roots level when, in 1992, the Municipality of Randers asked people living in the Tøjhushaven area of Randers to forward ideas in order to develop the area, emphasising especially the interaction between housing and economic activity. At the same time, the Kulturkælderens NGO, launched the "Greenhouse" project, which provided the opportunity to develop an idea about the establishment of a intercultural platform in the centre of Randers where some of the creative and artistic projects and products developed within the organisation could be commercialised further to create new jobs and enterprises.

An important factor for the design of the project was the changes experienced in the local economy. Traditional industries were declining, the unemployment rate was very high and there was a need

¹⁰ www.pukaar.org.uk

¹¹ www.unltd.org.uk

for a reorientation towards more service-oriented economic activities. Underværket would respond to the change via exploration and preparation of new areas of employment especially within cultural industries, the 3rd sector and new technologies, and at the same time ensure that the most vulnerable and marginalized groups were provided the opportunity to benefit from the economic outcomes of such a strategy.

So the vision was to combine the 700 year history of Randers as a "trading town" with its entrepreneurial and cultural future potential. The objectives were to reinvent and redefine the traditional marketplace for the exchange of goods and everyday needs and to provide a space for the exchange of information whilst creating room for informal meetings and networking.

Different working groups were established with responsibility for developing different parts of the project. Political support came from the Municipality, which was willing to provide a piece of land, but the financing of the construction costs had to be covered from other sources. At the beginning of 1996, a new opportunity arose as the European Commission launched the Urban Pilot Project phase 2 scheme. A formalised partnership and consortium between Kulturkælderens and Randers Municipality was created in order to apply for European and national funding. In July 1997, the Underværket project was selected and received the necessary funding to realise the idea.

The Underværket complex opened in 2000 and comprises one refurbished and two new buildings, which have been integrated and thereby shaping a covered street and square inside the complex. There is a café, theatre group and performance spaces, in-door architects, photographer, furniture designers, textile print workshop, book shop, music studios and the largest Elvis Presley museum outside Graceland. There is also a halal-butcher, a bakery and a greengrocer, a hairdresser and different options for alternative health treatments. The Dynamo, also situated in Underværket, is a centre for training of entrepreneurs, supporting the creation a new enterprises. In winter, Underværket manages an ice-skating rink in part of the parking place. The Underværket project became a locomotive for a much bigger urban regeneration scheme, which took root in the Tøjhushaven area in the period 1998 – 2003 and was funded by the Danish Government. The experiences from Underværket project has influenced local polices within urban regeneration.¹²

4. Value and values

At the beginning of this study I argued that social entrepreneurs create value and values at the same time. I asked how do they do it, and how do they contribute to innovation and social coherence, and what is the value added?

In the following I will discuss the cases that I have presented, focusing on the results and impacts of social entrepreneurs and present arguments for the value and values they create.

I am going to analyse the cases from the following four perspectives:

- The intercultural perspective
- The social perspective

¹² Steffen Røntorp et al: 2002

- The economic perspective
- The innovation perspective.

The Intercultural perspective

“Culture is a term much used and abused. It is an ineffable something we are all expected to have, to express at every opportunity and to fiercely protect from outside interference: an inalienable birthright. No notion is foggier or harder to pin down in other words, it defies analysis. It can mean everything and therefore constantly runs the danger of meaning nothing.

Shiva Naipaul. 1984

Culture comprises a broad spectrum of human thoughts and patterns of acting. No culture has clearly defined borders – culture crosses national borders and moves around as a result of new technology, mobility, products, languages, concepts, arts and knowledge. Culture is dynamic, it changes constantly and no culture can be described objectively.

So, if it so hard to define culture, how can one even talk about intercultural communication? The way in which I understand the term, intercultural communication is about meeting - in the widest sense of the word. It is to meet, communicate and interact across different cultures: places, religions, ethnicities, organisations and professions and in this meeting one can exchange stories, build relations and develop new stories, and it takes curiosity to embark on the intercultural meeting. It is like looking into a mirror where the different and maybe alien culture helps us to achieve our own cultural self knowledge and understanding.

Legitimisation of Culture

After having spent quite some time in India and Sri Lanka, both countries and cultures so rich in colours, I came back to Denmark and started working in The Danish Refugee Council. In the mid 80's we received quite a number of Tamil refugees from Sri Lanka who fled to places all over the world as a consequence of the civil war.

Naturally, the Tamil women had brought and wore their colourful dresses, which lightened up in the dull and grey November streets. However, after a short time most of the women started dressing and behaving differently: they began wearing brown or grey dresses, and began to powder their faces with white talcum. I spoke to them and asked why they had changed their behaviour so dramatically and they explained that they did not want to stand out. They felt that people were staring at them in an unfriendly way when they were in the bus, the supermarket or in the streets. The brown and grey colours made them “fall in with the wallpaper” and more anonymous. The white powder would help them to look more “European” and “normal”. The worst thing I experienced when talking with them about these issues was to see their faces which reflected defence, loss of self-esteem and sorrow.

This experience stressed how essential it is to the human being to be respected and appreciated for what you are and I learned that legitimisation of culture is important in the integration process as it builds a surplus of self-esteem and confidence. This insight has been the basis for the work that was carried out by Kulturkældereren.

In the “This is my Story” – project from Randers, the recipe combined storytelling and tapestry weaving. It was in fact a Turkish woman, Fatma,¹³ who triggered the development of the project. When she started at a combined language and textile project in Kulturkælderens Fatima was shy and introvert, with very low self-esteem. When we met her, she had been in Denmark for about a year. She was a widow with two small children and had married again to a much older Turkish man living in Denmark. This alliance was not popular in the Turkish community and she felt marginalized in her own ethnic group. Her level of Danish was very poor due to her isolated situation, but she was very interested in learning the language, because she knew that this was important for her future. Nevertheless, even though her motivation was high, it was an uphill struggle and very difficult.

One day she announced that she was very busy preparing the circumcision ceremony for her son, we asked her to draw some of the elements from the event. Her colleagues in the project, who were women predominantly from Turkey, Sri Lanka and Palestine, were very interested in her story so Fatma proudly started telling it in Danish for her colleagues and visitors in the workshop. The next step was to turn the sketches into a woven tapestry, which involved techniques and production of samples before weaving the actual tapestry. Some months later her tapestry was exhibited and much admired at a professional art gallery.

We learned a few things from this experience. Fatma improved her language and learned new skills. She achieved a higher status within her community, which supported the development of self-esteem. She managed to connect her old life to her new one via her story. She communicated her culture and this was appreciated. In sum, these factors gave her confidence, so learning language and other skills became a lot easier. This development brought her into vocational training and eventually into long-term employment. Other women were inspired to tell their stories and the “This my Story project” was born.

Reflecting upon the Teviot example, Townsend set up a sewing group for Bengali women in order to diffuse racial tensions in the area. The initiative was opposed by some residents and the shop was vandalized. But after leaflets, offering the group’s services in alteration and repair of clothes, were distributed, local customers began buying their services. The group expanded and the Bengali women started to share their skills. Other women from different ethnic communities joined the sewing group and gradually, the barriers of hostility began to break down.

The Bengali sewing group created a new story by exposing their resources and skills. Crissy Townsend says¹⁴: *“When they all participate in the same activities they interact and understand each other. This applies to activities for both grown ups and children. They all become multicultural and this contributes to the positive development of The Teviot.”*

For the Bosnian Handicraft Enterprise, local traditional skills became a platform for not only the development of new products for the market, but also for bridging people who had been fighting each other until quite recently. Their skills became their common language and supported the healing and reconciliation process. The initiative has created a room where cultural backgrounds and skills were exchanged and developed, thus shaping the success of the enterprise

¹³ Not her real name

¹⁴ Interview 24.4.2006

New products and services

Common across all the cases is that the social entrepreneurs are working with roots and routes at the same time. Cultural backgrounds and resources are their point of departure, and this involves what to take and where to go. This has been highly empowering and has created engagement and participation, and competence development at many levels.

Differing cultural backgrounds and different ways and ideas have been inputs to the creative processes within the enterprises. The cases represent a wide range of new products and services ranging from a bus queue in Teviot soon to be complimented by a train station to a child care facility connected to the enterprise in Randers and to creative artistic and cultural products that have been developed by the social enterprises. Pukaar provides entertainment and a scene for exposing talents from the local area. All the social enterprises have an element of training and education in their profile. The “This is my Story” project created an exhibition echoing themes of nature, religion, daily life, mythology and folklore that form a unique directory of cultural communication. New products spring from the project for example a puppet theatre producing interactive plays, courses and lectures connected to tapestry weaving, integration and intercultural competence.

Wealth, however unequally distributed, creates the need for new products and services which represent intangible factors such as values and experience. A good example is the Spas, which have emerged all over the world and are currently one of the fastest growing businesses within the travel and tourism industry.

Customer segments representing different cultural backgrounds and preferences provide opportunities for the development of new products, services and platforms for intercultural communication. We do not all enjoy white walls and IKEA furniture nor prioritise in the same way and this is a challenging opportunity for the social entrepreneurs!

The Social Perspective

“Each person is defined not just alone but in relationship to others ... (...)... The successful community is not a coalition of atomistic individuals bumping into each other’s self interest, but rather is a network; a web of individuals- in-community” Patricia Wilson.1997

The social enterprises work closely with their local community. They pick up problems and needs and translate them into a language, which can be communicated. They play an advocacy role for those citizens who are denied a voice. None of the social entrepreneurs would have been successful had they not activated different resources: people, knowledge and skills - and combined these in new ways.

Social entrepreneurs are able to manoeuvre across sectors and to create synergies between them. They connect people in networks or more formalized constellation, and this generated social capital.

Activation and participation solving personal and community challenges.

Crissy Townsend engaged a lot of people in her campaign for a bus route and tenants from the area got involved in the Teviot Action Group. Isolated, unemployed, low skilled or illiterate women participated in training and intercultural communication activities in Tuzla, London and Randers and became active in the production of intercultural media and products.

In the Underværket project around 75 people were involved in working groups and networks in the development phase of the project. Additionally there were a large number of co-operating partners and people participating in the various training programmes involved. This diversity and complementarity of cultural backgrounds, competencies and resources established a creative space characterized by confidence, engagement and identification, which again was the basis for the creation of a shared vision for the local area.

All the cases presented depend highly on the engagement of volunteers who form a significant part of the total resources. In the Teviot more than 300 people from the area are involved in the activities. This means that at least one person from each household is involved. Many citizens are engaged in voluntary work. A working paper published as a part of a current John Hopkins Non Profit Sector survey in Denmark¹⁵ states that 25% of the population have been involved in voluntary work within the latest month. This participation in the community has a great impact on the development of democracy and solidarity. Social enterprises play an important role as a stepping stone for unemployed volunteers as their status may change from volunteer to ordinary employed in the social enterprise.

Using and producing social capital

A social network is essential for human well being and essential for integration process as it is not only shapes and establishes identity, but also acts as a springboard for jobs or business opportunities. At community level the social entrepreneurs connect people in formal and informal networks in order to respond to urban social challenges. For the enterprise itself it is important to have, maintain and expand relations and networks as they must constantly make their objectives and activities visible in order to attract resources, contracts and deals.

Social capital has been accumulated in all the cases due to their many face to face interactions, which creates mutual trust and reciprocity. Research suggests that the more social capital an area can accumulate the more prosperous, healthy, democratic and safe the place will be. Very interesting examples have been reported from London and Randers, which might indicate a connection between social capital and crime level.

The crime level in the Teviot area has more than halved since 1997. According to Crissy Townsend this is because of the involvement of the residents in a vision about making the area a better and safer place to live in. The Teviot Action Group has formed a partnership with community police officers, and now residents report to an on line neighbourhood watch. The result and the shared responsibility have grown out of mutual trust rather than a need for control.

A report published by The Knowledge Centre for Integration in Denmark¹⁶ on young immigrants and crime in Randers states that the crime rate for young people with immigrant background in Randers now matches the Danish average. This is not the case in other towns and cities where the rate of crime committed by youth with immigrant background is much higher. According to the report, professionals around the country are wondering: 'What makes the situation so different in Randers? Why are the messages so positive?'

¹⁵ Inger Koch Nielsen et al. 2005

¹⁶ Merete Tonnesen. *Lokal kriminalitet*. 2003

One of the social workers from the area, Claus Hansen, who has been working with young people and prevention of crime in Jenumsparken for many years, has this explanation:

“... We have never had what you could call ghettos like they have in bigger cities such as the Vollsmose and Gellerup estates (LB: housing estates in Odense and Århus). The area that we talk about has had the advantage of the independent organisation Kulturkælder, which together with the tenant’s organisation and their elected boards of trustees has made a huge effort for integration for many years in the area.”¹⁷

Besides their potential as social capital accumulators they create public spheres that generate ideas and input to policy processes. The Teviot Action Group created networks some of which become more formalised over time and this process had an empowering effect and developed capacity to influence development

The interrelation between social and political circles and local governance processes is interesting. In an article about social capital and governance (Hulgård and Bisballe. 2003) Underværket has been analysed and the writers argue that the project both used and generated social capital. The project’s ability to establish trustful relations between individuals, local organisations and enterprises and, more importantly, to bridge this social capital to a local, national and European level, was key to the realization of the project.

Economic Perspective

“Money can do two things: They can make you independent. And they can make you dependent”
Soya. Undated

This section discusses how social enterprises boost competence and capacity building which result in the creation of jobs and enterprises, and thereby create economic wealth. The activities have stimulated the local economy due to reinvestment and additional investments. The mix of social work and making profits is generally a big nut to swallow within the sector itself. But the concept of social entrepreneurship challenges a rather defensive paradigm that states that one cannot be social and make money at the same time.

Employment and establishment of new enterprises

In 2005, a survey of social enterprises across the UK was made by the Government’s Small Business Service (www.sbs.gov/socialenterprise). It is based on those social enterprises registered as Industrial and Provident Societies and Companies limited by Guarantee, which are seen to be the most common organisational forms. The survey finds that there are 15,000 enterprises registered as IPS or CLG and they represent 1 % of the UK employing businesses. They generate £18 billion in annual turnover and employ a total of 775,000 of which 300,000 are non paid voluntary workers.

The majority of turnovers are generated through their own trading activity. In average 12 % of the income comes from donations and subsidies. Around 90 % of those surveyed generated over 50 % of their income from trading. 33 % of the turnover of the social enterprises is derived from health and social care (day-care, childcare, welfare, guidance and accommodation services). 21 % of the

¹⁷ My translation

social entrepreneurs derive their income from community and social services and 20 % from renting activities. The educational sphere is involving 15 % and wholesale 3 %. Over half of the social enterprises are located in the 40 % most deprived areas. The researchers ask if it is because a lot of national and European funding has come this way, and therefore nurtured the emergence of a certain type of enterprise. One fifth of the enterprises operate in London, but activities are found all over the country.

All the cases presented in this study have created new jobs during the life of their operation. The Bosnian Handicraft Enterprise has created over 500 jobs, and provided women the opportunity to reconcile with their traumas and experiences from the civil war and to develop and refine traditional skills. This has created a higher degree of self esteem as well as the possibility to earn an income for the women involved.

At the moment the Teviot Action Group employs 7 people full time and they have created more social enterprises under their organisational umbrella for example a community hairdresser and beauty shop promising “*West End style at East End prices*”. A fruit and vegetable coop is getting goods directly from the producers and so is able to offer healthy products at a reasonable price.

In 2000 when Underværket opened, 76 new jobs in the service sector and creative industries were created. One third of these jobs were occupied by refugees or immigrants. The “This is my Story” project provided training and competence development thus breaking down barriers of integration and the socially isolated became active participants of the cultural, social and economic fabric of the city.

In the Underværket entrepreneurial training was integrated in project and today this service is run by a private enterprise, Dynamoen - offering training to the unemployed who wish to start their own enterprise or develop skills in web design, desktop publishing or animation. 77 new enterprises have been developed between 1999 to 2004¹⁸.

Reinvestment and generation of investments

Social Enterprises contribute to the local economy via job and enterprise creation, but also because most of the financial resources are spent locally. For example a total sum of £8.2million was spent locally by Kulturkældereren from 1988 to 2002¹⁹.

Romail Gulzar, the manager of Pukaar started the enterprise supported by a Millennium Award via UnLtd.²⁰ This award generated more investments, for example from the Arts Council. UnLtd has recently published an evaluation of 315 social entrepreneurs, who have received awards via the Millennium Awards Fund in the period 2003 -2004, which states that 27% of them generated additional funding over £5,000, 16 % more than £1,000 and 8% over £500.²¹

Many of the social entrepreneurs spend a lot of energy on fundraising activities – not only for the sake of the enterprise but for the community at large.

¹⁸ Lise Bisballe. 2003 and 2005.

¹⁹ Based on Kulturkældereren’s accounts 1988-2002

²⁰ www.unldt.org.uk

²¹ Based on annual accounts of Kulturkældereren 1988-2002

Kulturkælderens and Underværket generated investments equivalent to £33.2million, equivalent to 118 full time jobs for 14 years. The additional investments coming from national programmes for urban regeneration and employment and European Social and Regional funds. An initial investment in Kulturkælderens in 1988 of £7,700 from the Social Ministry, The Council for Crime Prevention and Danish Refugee Council grew to £33.2million in 14 years.

But if the economic value of the work of the social entrepreneur is going to be measured, other factors have to be calculated and added, such as the value of increased local taxes due to employment and new enterprises and consequently the value of savings in social and unemployment support. On top of that you can add the value of creativity and innovation, of reinvestment and generation of investments, of social capital and the value of savings in security or health.

Innovation perspective

“You see things and you ask why. I dream of things that never were, and I ask why not?”

George Bernard Shaw.1926

It is a common argument that social entrepreneurs bring innovation into the marketplace; in fact innovation legitimises the social entrepreneur. The nature of innovation is to manoeuvre and move forward in a grey zone between the old and the new, between hierarchies and networks, and therefore innovation challenges existing structures, discourses and paradigms. The cases have demonstrated innovative approaches to intercultural communication and how to break down cultural barriers via creative processes. New organisational culture has been created, and new knowledge has been generated.

Breaking down cultural barriers via creative processes

Tapping cultural resources and mixing these with high ambitions is a strong and interesting cocktail. Ambitions challenges the quality standards and performance of the enterprises. The Bosnian Handicrafts Enterprise works with high profile famous designers and film studios, and the “This is My Story” project established cooperation with mainstream cultural institutions like National Museum in Copenhagen and Museum of Modern Art in Dublin.

Performance to a live audience pushes you to the edge of your competence. This is what counts in the case Pukaar, nurturing the talents of young people by inviting them to perform for a “real” audience. There is nothing like applause from the audience and this kind of success is very satisfying and has an enormous empowering effect.

The development of products based on arts and crafts and the establishment of intercultural rooms and meeting places have contributed to exposing resources thus challenges attitudes. These acts dissolve stereotypes and help turn insight into action. At the same time, they form the base for economic activity providing jobs and services.

Change of organisational culture

“While social entrepreneurs are seeking to attract resources for the social good rather than for financial returns, they rely just as much if not more on a rich network than the for profit entrepreneur”

Austin et al 2004.

Social enterprises foster cooperation. It is not possible to establish a cultural event being a concert or an exhibition without involving many people: Staff at venues, artists, suppliers, press etc. In this way networks are established or expanded.

Two of the social enterprises in the study have been engaged in partnerships as organisational frameworks for the implementation of projects and ideas. A partnership is a flexible tool, which harnesses a variety of skills, experiences, resources and key individuals in order to meet a common goal. It is a way to optimise resources and to bring these into play.

Characteristic for partnerships is the level of trust between the actors and relations in the partnership. A partnership between Chrissy Townsend and the Teviot Action Group and the social landlords of Teviot was established when a rebuilding programme began. From this platform new activities and organisations emerged. Underværket developed at the grassroots level and had an ad hoc and loose organisational structure. When applying for financing of the project a formalized partnership between the social enterprise Kulturkældereren and Randers Municipality was established. When implementing the project, this partnership expanded to involve Århus County, the Business and Tourism Centres, City Retailers Association and local Immigrant Organisations. The organisations involved in the partnership played a big role in the way the project was adopted by the city.

Learning, skills and knowledge

Social enterprises generate new learning but they often lack the resources to evaluate and communicate their results. This is problematic if the social enterprise wants to compete for tenders or negotiate public contracts where the competition is hard and requires skills at a high professional level. Administration of national and European programmes can be very bureaucratic and require extra resources and specialized knowledge.

Successful social entrepreneurs must be able to tackle turbulence and insecurity about financial resources. Staff are in general temporarily employed or employed on different schemes, and unpaid voluntary work is a part of the total resource. They have to combine the synergy and efficiency effect with more intangible factors such as common social and cultural values. On top of that, they have to combine high technical, social and cultural competencies with technology and market insight. And as if this was not enough, they have to tackle the ethical and organisational dilemmas that arise especially when the enterprise grows. The social entrepreneur must live up to an overall social objective, deliver quality products and services and manage an inclusive organisation - all at the same time.

Chrissy Townsend was illiterate when she started her campaign in 1997 but managed to teach herself to read and write. Later she got a grant that enabled her to join one year course at the School of Social Entrepreneurs in London. It has provided an opportunity for Townsend to develop her business skills and competencies to be taken seriously and to get access to networks helps her to expand her enterprise and to develop an identity as a social entrepreneur.

The participants (individuals, organisations and audience) also develop intercultural competences, ie an overall consciousness about how and when culture influences the acts of human beings. Intercultural competence is the ability to understand complexity and to understand one's own role in this complexity and also to communicate and cooperate across different kinds of real or imagined boundaries. Becoming interculturally competent requires motivation, curiosity and a genuine interests and it is a long learning process that involves flexibility, patience and tolerance for ambiguity.

5. Conclusion

“Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionised the fishing industry” Bill Drayton. 2005²²

This thematic study is based on initiatives that have started on a very small scale. Some of them have grown bigger over the years and others are currently in the state of consolidating themselves. They highlight social entrepreneurs and enterprises that have been successful in their respective context.

They have helped to identify resources and build capacity for innovation and development and have managed to do more for less as they identify social, economic and cultural resources and put these into play in new ways .They identify and establish policy network and build bridges between sectors, create social capital and coherence and build identities of places. They create wealth by attracting investment and they deliver products and services that are more than just a “product”.

But the success also depends on the level of courage, drive and leadership of the social entrepreneur. Belief in the viability of the enterprise and the integrity of the leadership is important for attracting any player. But courage, drive and leadership apply not only to the social entrepreneur, but also the politicians, who define the frameworks and the civil servants who fill these. Risk taking is key to innovation.

Apart from the persistence of the social entrepreneur, continuity according to human and economic resources is vital. And time – that is, time enough. Many excellent projects have suffered due to unrealistic time horizons in programs and call for tenders. Social Entrepreneurs do not enter the stage and deliver a quick fix. It took us 8 years from when we started playing with the idea of Underværket until it was realized. In this process the creation of a shared vision and the political and economical support was paramount.

There is a dilemma here: Too much economic support can develop stagnation within the enterprise and kill the creativity and one should not underestimate the power of energy and creativity that can be tapped when doing something “in spite” and “against all odds”. There are many good and innovative ideas out there. But sometimes the process stops due to of lack of financial resources for the development or for a vital investment linked to the implementation of the project. So a local flexible structure for the support of social entrepreneurs and a fund of risk capital can make a difference. Public authorities, private enterprises, social enterprises and bank and credit unions can

²² NoLimits. Issue six.. Summer 2005.

contribute to an investment fund which is distributed according to local needs and shared visions here.

There are many arguments for a broader acknowledgement of social entrepreneurs and for integrating these in approaches and strategies for the development of future cities. Social entrepreneurship can build bridges between the social needs of the civil society and the public and private sectors capacity to respond to those needs. They improve access to opportunities, contribute to combat poverty and injustice, strengthen the economy, promote participation in democratic processes and generate social capital.

Whilst there are many resources that can be activated in civil society, there are also limits to what can be solved by this sector alone. The public and private sectors will have a big role to play in the future, but social entrepreneurs can be important players within areas where neither the public nor private sector can reach nor have the competencies.

If social enterprise activity was creatively integrated into city development strategies, a number of policy objectives would be addressed at the same time:

- Activation of citizens
- Job and enterprise creation
- New products and services
- Integration
- Intercultural competence
- Accumulation of social capital
- Nurturing democratic processes.
- Creation of wealth: reinvestment and generation of investments
- Improved image of the local area

My wish has been to present a wide range of arguments for the potential of social entrepreneurship as a space for interculturalism, which takes place at different levels and in different constellations but initiated and supported by the creative, open and informal social enterprise. Another wish has been to present arguments for integrating the work of the social entrepreneurs in future strategies for the city.

To do so, it first and foremost requires an acknowledgment of the contribution of social entrepreneurs. There has been a growing interest in the field of social entrepreneurship over the last ten years. Universities have established departments of social enterprise and offer BAs and MAs in social enterprise and social entrepreneurship. This is fine as it contributes to the visibility of the sector, but there is still a need for methodologies to clarify the economic, social and cultural contribution of the social entrepreneurs.

Finally, it requires acknowledgement that a city can capitalise on cultural diversity. Local authorities can provide support structures that enable social entrepreneurs and other actors, to develop laboratories and platforms for intercultural communication and exchange.

Lise Bisballe © 2006

Lise Bisballe was Managing Director of Kulturkælder for 10 years. She is now manager of an incubator for social enterprises in Roskilde, Denmark. Contact lise.bisballe@privat.dk

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