

Solidarity finance and territorial regulation

Amalie Artiz

CRLIPEM, ESLMC, University of Grenoble, France

Abstract: Solidarity finance is characterized by a service relationship that feeds on proximity and endogenously strengthens it. From the multidimensionality of proximity, geographical, organizational, institutional, social, the understanding of the contribution of solidarity finance in local development is enriched. Thus, it is a question of showing what are the direct effects and the induced effects of solidarity finance for organizations, for regions and for social cohesion.

Keywords: Solidarity finance - service relationship - proximity - local development

1. INTRODUCTION

The social and solidarity economy brings together cooperatives, mutuals, associations, unions and foundations, a sector representing nearly 10% of salaried employment in France. This set is "social" because it favors the human over capital and pursues a non-profit goal. It is "united" in that it offers new models for the development and financing of businesses and associations with strong social and environmental utility. Solidarity finance aims in particular to reintegrate people in difficulty. Organizations involved in solidarity finance collect funds from people (natural or legal) who want to give meaning to their money. To do this, savers subscribe to specific labeled savings products and ultimately agree to a return on their savings that is lower than if they had placed it on traditional savings vehicles. Thus, they link their savings to a solidarity approach. In 2019, solidarity savings deposits amounted to more than 15.5 billion euros, an increase of 24% compared to the previous year. Employee savings represent nearly half of the total solidarity savings outstandings and continue to grow (9.7 billion euros as of December 31, 2019)[1].

2. RELATED WORKS

Since the 1970s, in parallel with the rise of analyzes of the relative autonomy of sub-national territories, this notion of SSE has been asserted to designate a particular socio-economic logic, common to these specific companies (Demoustier, 2001). , increasingly recognized by the local public authorities, as likely to participate in a more dynamic and united territorial development, in terms of activities and jobs, as in terms of the way of life of the populations.

5In fact, by mobilizing human, social, cultural, financial resources, etc., these forms of collective entrepreneurship attempt to "take advantage of all possible synergies" (du Tertre, 2000)[2], beyond the capacities of individual entrepreneurship. which they also encourage; Beyond the distinction between market and non-market activities, they internalize social costs within economic activity (integration, education, prevention, redistribution, etc.). Most of these companies, by mixing various resources (monetary or not) produce positive "externalities" on their environment. By advocating cooperation rather than competition between individuals, they contribute to social cohesion. Thus the SSE provides both resources likely to increase the attractiveness of territories, and generates a process likely to increase solidarity.

6Beyond a "postulated local" anchoring, the SSE can act as a "collective actor" of a "socially constructed territory" (Gilly, Lung, 2005) and thus participate in the "recomposition of productive potential" (Laurent, du Tertre, 2008) in certain areas?.

The template is used to format your paper and style the text. All margins, column widths, line spaces, and text fonts are prescribed; please do not alter them. You may note peculiarities. For example, the head margin in this template measures proportionately more than is customary. This measurement and others are deliberate, using specifications that anticipate your paper as one part of the entire proceedings, and not as an independent document. Please do not revise any of the current designations.

3. FROM TERRITORIALITY TO SOCIAL COHESION

The specificities of the solidarity finance service relationship:

From the original definition⁶ of the service activity attributed to Jean GADREY, the provision of solidarity finance service is characterized by the management of the provision for a determined time of means of payment by the provider, ie the solidarity finance organization, intended for the user, ie the individual or collective project leader. Then, the service relationship is built from the interactions between the service provider and the user, the object of the service being the financing of the project.

The provision of solidarity finance services differs from the bank financing service: on the one hand by the nature of the actors involved, that is to say the solidarity finance organizations and users, and on the other hand by the nature of the service. First, the Solidarity finance^[9] organizations are not banking intermediaries, they rely on market, public (grants), philanthropic (donations) and cooperative resources. They use several financing tools (loans, guarantees, taking out participations ...) according to market or non-market access conditions: a market interest rate (ADIE)^[11] or non-market interest rate (honor loans), market guarantee or moral or reciprocal guarantee ... Then, the users are characterized by their difficulties in accessing bank credit, which result from an absence of a good quality bank financing relationship and from the nature of the project (small projects, innovative projects, collective projects, etc.) (GUERIN & VALLAT, 1998, 1999, 2000, FERRATON & VALLAT, 2003, VALLAT, 1999)^[6]. Finally, the provision of service is based on socio-financial support which makes it possible to validate, or create, a relationship of trust (SERVET, 1995, 2006, VALLAT, 2001). In this process, the user-borrower is a co-producer of the expression of needs^[8] in figure 1,

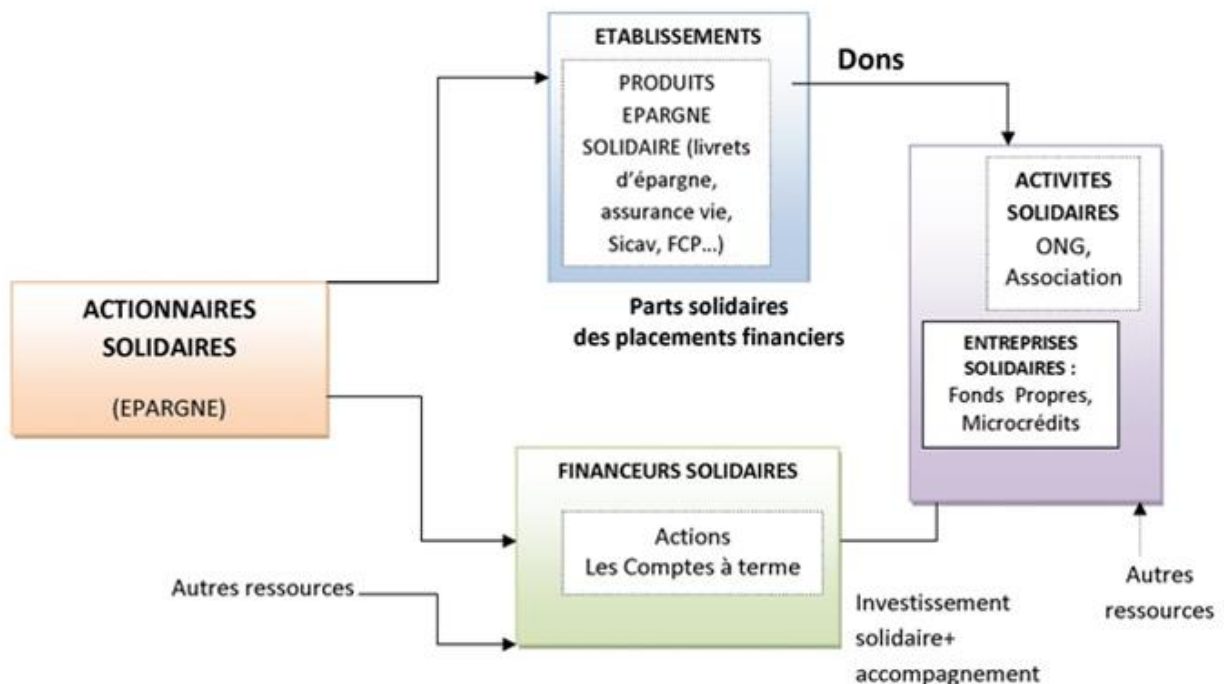


Figure 1. Dynamics of territories

4. SOLIDARITY FINANCE & ECONOMIC DEVELOPMENT

In the dynamics of territories "socially constructed" and carriers of a more autonomous economic development, the SSE is led to present itself not only as a heterogeneous set of economic and social agents, but as a unifying logic capable of supporting and to influence territorial regulation. "What is at stake in subnational territorial regulation, whatever the

scale considered, is the capacity of a localized social system to guarantee a certain level of accumulation in its territory, to maintain economic activities there and protect its natural resources, but also to maintain a minimum of economic and social cohesion there, allowing all the fractions of the population actually present in a given place to live there without major conflict”(Gilly, Lung, 2008).[3,4] From "the way in which the evolutions of the elements of a system are adjusted to the overall functioning" (Benko, Lipietz, 1995), the analysis of the nature and the role of the SSE on the territories questions him. in terms of allocation and coordination of activities, jobs and income; it is therefore a question of understanding its participation in "institutionalized compromises" at the local level in their articulation with the sectoral and global levels.

The study of the SSE on 4 employment zones in the Rhône-Alpes region leads us to propose an analysis framework capable of characterizing the modes of participation of the SSE in territorial regulation. It shows that the relations between SSE and territories present various characteristics depending on the history defining the "territorial matrix" (Itçaina, 2007) and the mode of socio-economic development constituting the "territorial configurations" (Pecqueur, 2005); that the nature of the participation of the SSE in territorial regulations, through complex relationships, largely depends on the representations of the actors on their belonging and their contribution to the territory; and that this participation is reinforced by the action of "institutional mediations" which accompany the reorganization of production systems towards more transversality and cooperation.

The employment zone seems a priori a relevant territory for studying the territorial role of the SSE because, by concentrating home-work journeys, it covers both the living areas around which local associative life is organized, and the places of employment where there are more cooperatives [6] this ESS study on the Grenoble conurbation,... Nevertheless, the employment zone can bring together several employment areas which correspond to poles of attractiveness and specific identities, therefore constructions of distinct social and cultural networks, linked to particular geographical configurations. There can thus coexist convergences on the socio-economic development model of the territories and tensions on the cultural representation of these same territories[15,16].

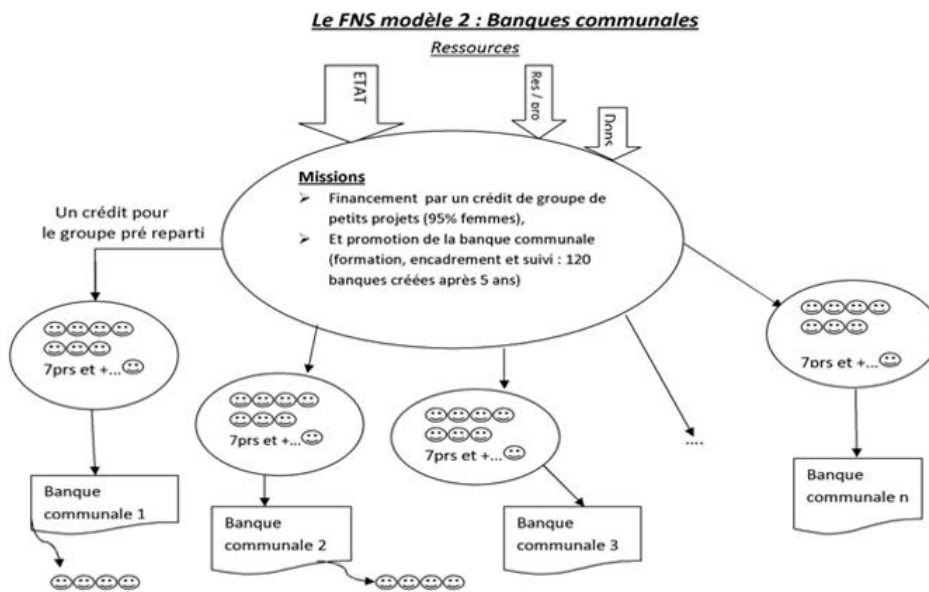


Figure 2. Solidarity finance, an alternative model and perspectives

5. CONCLUSION

The social role of solidarity finance has been acquired and it fits into public mechanisms, into local employment and local development policies. To be effective, solidarity finance relies on a service relationship that mobilizes close relationships.

Through these close relations, its participation in territorial coordination is effective: establishment in rural or sensitive areas, definition and consideration of local and social needs, articulation of the heterogeneity of the territory (social cohesion), organization of activities and production of specific resources. Nevertheless, the existence of tensions in the practices of solidarity finance should not be reduced (low mobilization direct savings, difficulties in the sustainability of structures, ...).

REFERENCES

- [1] ARTIS A (2007), « La « finance solidaire territorialisée » : une réponse de proximité en faveur de la construction d'un territoire de référence dans un processus de mondialisation » Cahier du Ceren, n° 19, p 20- 40
- [2] BRANA S & JEGOUREL (2007), La microfinance en Aquitaine : Etats des lieux et perspectives, étude pour la CRESS Aquitaine
- [3] COLLETIS G, GIANFALDONI P & RICHEL BATTISTIN, « territoires et économie sociale et solidaire : une mise en perspective », Intervention aux Vèmes rencontres inter-universitaires d'économie sociale et solidaire, 11 & 12 mai 2005, Aix en Provence,
- [4] DELAPLACE, (2004), « Economie sociale, économie spatiale. La liaison entre la confiance et la proximité dans le cas des micro-crédits », in RASSELET O, DELAPLACE M & BOSSERELLE E Economie sociale en perspective, Presse Universitaire de Reims, pp 233- 246.
- [5] DEMOUSTIER D (2001), L'économie sociale et solidaire, Syros, La découverte, Paris.
- [6] DEMOUSTIER D (2004) (dir.), «L'économie sociale et solidaire et le développement local », Les Cahiers de l'Economie Sociale, l'Harmattan, Paris.
- [7] DEMOUSTIER D & VALLAT (2005), « L'économie sociale et solidaire, développement socioéconomique local et politique de la ville », Intervention aux Vèmes rencontres interuniversitaires d'économie sociale et solidaire, 11 & 12 mai 2005 Aix en Provence
- [8] DOLIGEZ, (2002), « Microfinance et dynamiques économiques : quels effets après dix ans d'innovations financières ? », Revue Tiers Monde, tome XLIII, n° 172, oct-décembre 2002
- [9] DUPUY C & BURMEISTER A (2003), Entreprises et territoires : les nouveaux enjeux de la proximité, les études de la Documentation Française, Paris.
- [10] FERRATON C & VALLAT D (2003), « Economie sociale et solidaire et création d'activité en Rhône Alpes : financement et accompagnement des projets », rapport de synthèse à la DIESES MIRE, Paris
- [11] GADREY J (2003), Socio-économie des services, Paris, Editions La Découverte, Collection Repère, Paris.
- [12] GLEMAIN & TAUPIN, (2007), « De la finance alternative à la finance solidaire : quel degré de dépendance institutionnelle ? » in DUSSUET A & LAUZANAS JM L'économie sociale entre informel et formel: paradoxes et innovations, Presses Universitaires de Rennes, p 151-182
- [13] GLEMAIN P, BEVANT D, BIOTEAU E, MOULEVRIER P, TAUPIN MT (2007) « Le(s) territoire(s) des finances solidaires : une analyse régionale en Bretagne et Pays de la Loire. », rapport de synthèse à la DIESES MIRE, Paris.
- [14] GILLY JP & TORRE A (2003), Dynamiques de proximités, l'Harmattan, Paris.
- [15] GUERIN I & SERVET JM (2005), « L'économie solidaire entre le local et le global : l'exemple de la microfinance », Intervention aux Vèmes rencontres inter-universitaires d'économie sociale et solidaire, 11 & 12 mai 2005 Aix en Provence
- [16] GUERIN I. ET FERRATON C. (2002), La microfinance et la création d'entreprise par les chômeurs. La situation française, Rapport pour le Bureau International du Travail et le