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Chapter 9

Creating alternative economic spaces. The socially innovative practices of solidarity purchasing groups

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Introduction

Solidarity Purchasing Groups (SPGs)[1] have been defined as:

G*roups of individuals that decide to organise themselves in order to buy collectively food or any other everyday good, selecting suppliers on the basis of solidarity and critical consumption* (Altraeconomia 2015, 14)

The main goal of their activities is to align their purchasing practices with the ethical principles of critical consumption, including: ensuring fair gate prices for producers; prioritising local products; ensuring sustainability in the production and transportation of goods. The peculiarity of the Italian SPG movement can be better understood in the light of the social and economic history of cooperation (both secular and Catholic) and Fair Trade (Nicholls and Opal, 2005) in this country. Starting in the 1990s, SPGs began to apply these two models to local producers: they avoided long supply chains by contacting suppliers directly, agreeing upon a fair price and (usually) preferring small units or social cooperatives as suppliers (an explicit reference to solidarity). Like Fair Trade, SPGs volunteer to distribute goods among their members; unlike Fair Trade, their activities happen mostly in informal groups or associations, not in shops open to the public.

Follow the definition of social innovation used by BEPA (2010), SPGs are innovations that are social in their ends *and* their means, specifically:

- They have an explicit social goal focussed on integrating marginalised suppliers into economic systems by connecting them to new end markets
- They change economic relations by innovating consumer-producer relations
- The entire process is intentionally made explicit by SPGs members who frame it as innovative political action (von Jacobi et al, 2017)

Their success relies on the establishment of strong personal relations across members and producers that overcome the impersonal relations that characterise the market. Additionally, the goals of their activities are oriented to enhance the quality of life for consumers (favouring access to organic food) and to advance the economic inclusion of producers (by creating a direct relations with consumers). The SPG movement aims, particularly, at fighting the hegemony of big supply chains

[1]Solidarity Purchasing Group is the English translation of *gruppo di acquisto solidale*, commonly shortened in Italian to GAS. In Italian, a SPG member is called *gasista* (derived from the Italian acronym).

in the basic goods sector (such as food, clothes, or hygiene products). This hegemony typically excludes small family producers from accessing the markets in basic household goods.

In Italy in the 1990s, access to organic food was difficult and small organic producers were marginalized. As a consequence, the issue of reforming traditional market relations was of great importance in the preliminary phase of the SPG movement. More recently, as organic and local goods have become more accessible via supermarkets and organic shops, the principles of ethical consumption have progressively become more important as the main motivation for SPGs. Groups report that the main objective of their work is increasingly the promotion of new consumption practices that demonstrate responsibly towards the environment, humans, and animals. Unlike supermarkets, SPG members question market economic relations by proposing *solidarity* as an alternative model. SPGs fit into a wider set of institutional innovations around alternative food networks that have been developing in affluent countries in recent years (Maestripieri et al, 2018). These include farmers' markets and community supported agriculture. Thanks to the functioning of SPGs, the consumption choices of *gasistas* have supported a growth in the sustainable production of primary goods and have helped producers who would otherwise be marginalised from mainstream markets.

This chapter investigates to what extent the actions of SPGs are able to tackle the marginalisation of the producers with which they engage by assessing how much SPGs foster the social and economic participation of small family farmers and to what extent they innovate economic relations along the food supply chain by introducing the principles of solidarity rather than competition. Several forms of solidarity - that occur internally among group participants - guide consumption in SPGs by ensuring that it is externally oriented to small local family producers. In what proportions the benefits of these social innovation activities' are distributed between SPG members (considered as social innovators) and their beneficiaries (SPG suppliers) is not entirely clear -although solidarity represents the most important rhetorical lever by which groups identify themselves.

The analysis proposed in this chapter is two-fold: on the one hand, it offers a detailed analysis of how socio-economic structures marginalise small family producers, whilst on the other, it proposes an assessment of the potential role of social innovation to address such structures. The chapter's ultimate goal is to assess to what extent SPGs are effective in their socially innovative activities aimed at fostering the economic inclusion of their suppliers. After a brief presentation of the empirical material for analysis in section two, section three discusses why SPGs can be considered a form of social innovation in the domain of agriculture and food. The subsequent section is devoted to an in-depth analysis of solidarity, the main concept lying behind the socially innovative activities of SPGs. The analysis demonstrates that SPG actions are only partially altruistic as benefits can be unequally distributed between consumers and producers. The final section provides evidence of how, and to what extent, groups are still able to tackle the marginalisation of producers.

The analysis here applies the Extended Social Grid Model (ESGM, see chapter one) with a focus on the interaction of three social forces (Beckert 2010): cognitive frames; institutions; and social networks. Using the ESGM in our analysis proved particularly useful as the three social forces all proved to be important in the effective functioning of SPGs as a social innovation. Instead of separating the analysis with regards to the social forces, the chapter uses the ESGM holistically to inform the reader of the relevant transversal combinations of social forces that drove the case of SPGs. The analysis presented in this chapter is based on 40 interviews aimed at investigating the activities of social innovators in light of the ESGM (see further chapter four). The sample comprised five interviews with key informants – local and national representatives of the SPG movement and scholars who have investigated the phenomenon – that served as a general

orientation (not reported as extracts in the chapter). 35 interviews with social innovators, representatives of 35 SPGs distributed over the whole territory of Italy, completed the sample.

SPGs As Social Innovation

The SPG movement can be considered a social innovation in the domain of agriculture and food supply as it promotes new processes that open up the market for their suppliers (for example, small organic producers, local artisans or social cooperatives that employ vulnerable individuals). SPGs also have the declared goal of advancing their suppliers' inclusion into society and enhancing their proximity to the end customers. Central to this are trusted and long-term relations. SPGs challenge the mainstream logics of economic relations: from the maximisation of profit to the definition of a fair price agreed between producers and consumers without any intermediating actor(s). A collaborative system of bargaining is at the basis of SPG model of economic relations. Producers are not (solely) selected on the basis of best price (as in the traditional economic model), but on several criteria pertaining to a 'critical' consumption model. This model prioritises the shortest production chain - to favour local products - and specific projects considered socially relevant (e.g. that help in the integration of people at risk or that focus organic production) to protect the environment and to increase the sustainability of food supply chains. SPGs, therefore, innovate in the processes of consumption as such groups help consumers disintermediate global supply chains by dealing directly with producers. In turn, this promotes critical consumption principles by choosing suppliers on the basis of social and ethical, rather than purely economic, principles.

The activities of SPGs can be framed in economic sociology in relation to the debate about *political consumerism* (Stolle et al 2005). This is a concept that indicates the political awareness of a consumer as expressed via their consumption choices – namely, by preferring certain products or services on the basis of his or her political principles. In this way, the individual action of consumption becomes political and collective. SPGs mediate this action in which consumption principles are shared and put into practice as organised political action. The process is based on *voicing* that is, giving voice to actors such as consumers, who are usually considered powerless compared to other, more powerful, economic actors, such as corporations or mass retailers. SPGs show a strong conformity to common ideological principles – which is, perhaps, surprising considering the lack of any national coordination of this movement. Political consumerism can be seen as a social innovation, since its actions are based on the active participation of consumers to foster change in the dominant socio-economic system.

'Political consumerism' is the most comprehensive definition for the complex of cognitive frames characterising the actions of SPGs (Maestripieri 2017). It rests on active opposition to the dominant system of mass retailers creating intermediation structures that deprive producers of the added value of their work. However, this critique of the mainstream economic system occurs entirely within the capitalist market model. In our empirical case study material, different respondents offered varying levels of critique of the dominant system within which SPGs operate. For some of them, the system was problematised in terms of the way primary goods such as food are produced and sold. For the most radical activist, the focus was problematizing the entire capitalist system as a focus for change, starting with a bottom-up transformation to be triggered by SPGs. The innovation SPGs propose lies in the process of consumption - groups allow consumers to avoid commercial intermediation by transacting directly with producers and promote critical consumption principles by choosing suppliers primarily on the basis of ethical principles.

We try to be aware in the choices we make, product is important, price is important, but it is far more important the choice behind it, the political choice behind it, basically what we eat, also what we eat is a political choice (he laughs) [SPG 4]

However, participants in SPGs are not, typically, fully aware of their role as social innovators: almost half of the interviewed groups did not link social innovation with their activities. When asked directly, respondents thought their group did not promote social innovation in a strict sense by promoting new processes (only 17 groups agreed on the prompt). Instead they recognised their innovation in terms of recovering old-style processes that had disappeared from the mainstream food-supply chains, such as building close relations with producers and small-scale production. Rather, respondents seemed more likely to agree on other characteristics usually associated in literature with social innovation such as focusing on the participation and sociality of SPGs members (such as creating new social relations and opening up participation).

Furthermore, interviewees perceived SPGs as a mature initiative that had moved into a period of critical reflection that was driving social innovation. The SPG movement was officially born in 1994 with the constitution of the GAS Fidenza association[2] - autonomous groups had started activities earlier but without any coordination. Looking back, it is possible to identify a series of steps in the evolution of SPGs:

- **Pre-1994: the precursor phase**. Scattered groups formed in order collectively to buy organic food or Fair Trade products. There was neither coordination nor a defined model at this point
- **1994: the constitution phase**. The Fidenza Group – that had started its activities before 1994 but without formalising them – formed as an association. It created the name Solidarity Purchasing Groups and set up a template that was used in the following years to create new groups
- **1994-2001: the pioneering phase**. The number of groups grew, although at a relatively slow pace (from two to 54 groups: Forno and Graziano 2016). The first article about SPGs appeared in Altreconomia (the main journal for alternative economy in Italy) in 1999
- **2001-2007: the sustaining phase.** The pace of diffusion increased (from 54 to 358 groups: Forno and Graziano 2016). Mainstream media began to publish and broadcast on the phenomena. In this phase, the majority of participants were also activists in social movements, focussed on anti-globalization or the alternative economy. Other associated initiatives also arose at this point. Trade fairs such as *Fà la cosa giusta* began (2003), the main SPG website went online (2004) and meetings on the national level started. Also, the Italian government recognised the possibility for SPGs to operate without incurring any fiscal problems.
- **2007-2013: the scaling phase**. The number of groups increased rapidly (from 358 to 977: Forno and Graziano 2016), thanks to the increasing attention of the mainstream media. According to our data, this lead to a perception that this social innovation was now opened up to the general public. However, the growth of the movement put into question the uniformity of the SPG identity, with many groups joining only to access products rather than for any engagement in political activism against the mainstream economic system

Since 2013, the movement has entered a phase of stagnation, which might result in either a systemic change or a progressive decline. While SPG growth has slowed down and groups have started to lose members a multiplicity of new entrants in the SPG market has started to appear, especially in

[2]It is one of the first SPGs founded in Italy. Their act of constitution as an association (1994) became the main model from which the subsequent groups developed using their name *Gruppo di Acquisto Solidale*. The founders were a group of families living in and around Fidenza, a medium-sized town located in Emilia-Romagna, an area particularly well known for its cooperative tradition and left-wing political orientation. Their initial main aim was access to locally produced, organic, food, but their activism evolved in tandem with the increasing awareness of the role of consumers as political actors. They are still active today and are one of the biggest and most important SPGs (Maestripieri 2016).

the most affluent areas. For example, a number of private shops selling products from SPG suppliers have started up such as organic or short-production chain shops. Some of these shops emerged directly from SPGs that took on the role of a shop or social cooperative selling products directly to consumers, in parallel with offering logistic and distribution services to suppliers. Furthermore, farmers' markets have multiplied around many cities, easing direct relations between consumers and producers partly promoted by civil society, partly by farmers' associations (such as *Coldiretti*) and partly by public bodies. Finally, some of the biggest SPGs – *Aequos* near Como, *RiMaflow* and *Buonmercato* near Milan – have implemented 'easy access' SPGs, comparable to online shops, that allow consumers to access SPG purchasing without having to volunteer and with a minimum mark-up to cover running costs and wages. From the farmers' point of view this evolution might sound positive as it multiplies their end markets - however, key informants reported that these new entrants were considered betrayers by the most radical fringes of the movement, as they reproduced the market intermediation practices that SPGs have always resisted.

This crisis is connected to the difficulty that working-class and low-income individuals have in accessing this type of consumption, which hinders the movement's expansion beyond an inner circle of activists and urban elites. The higher costs of SPG products compared to discount retailers makes accessibility difficult for those with a limited income, while principles of political consumerism require awareness and knowledge that is less common among the lower educated populations.

I have the impression that there is… I don't know how to explain myself, I would not do either a racist discourse, but certain characteristics… an indispensable grade of culture, I would not dare to say of of… of social level, but culture is indispensable to become a member of a SPG. At least in our group, maybe in other groups it is different, but to me it seems that… but I tell you because I can see the reality: the fact of seeing all those who entered the SPG and that participate in it are people with a certain level of culture, if not a tertiary degree almost… it makes me think that maybe there is a relation between the two things [SPG 14]

The perception of a moment of entropy and fatigue currently characterizing the movement was evident across many SPG groups. Interviewees often reported a decrease in all activities promoted by their groups over the past few years. SPGs were less keen on communicating with the public or interacting with producers, increasing the impression of stagnation and an increased individualism within the movement.

It is innovative for sure, in my opinion yes, although as with all the things that today are innovative after 10 years they are… they are less innovative, that is it will be likely that at a certain moment a need for overcoming the model will arrive […] being innovative means also being able to transform the model you have started, at the time we began with a SPG group it was an absolute novelty, now we are still carrying on the SPG discourse at it is, as we started in 2008, we're… perpetuating rituals, so much so that participants don't even feel the necessity to meet because in any case now… the system is defined, it works, orders arrive, why do we have to meet? There is a strong risk of sclerotizing in the system, in my opinion [SPG 27]

One of the main strong points of the SPG movement is its capacity to build up a network of local groups that are extremely adaptable and geographically dispersed. The added value of these organisations is the informality and bottom-up character of their meso-level organising structures – called *Districts of the Solidarity Economy* - that works mostly at the provincial level. This operates by putting local groups in contact and organising purchasing structures that are more efficient and effective at district scale, particularly, oranges, detergents, and pasta. A District of the Solidarity

Economy is not a level of intermediation, but one of coordination: there is no mark-up on the final price and there are only volunteers who take care of the organisation of shipping towards an area. Districts of the Solidarity Economy usually also promote working groups and informative exchange between the SPGs and civil society at the local level. Although SPGs offer a very effective mechanism for participation and intervention in local politics, they are restricted by the fundamental principle of volunteering that relies on individuals devoting part of their free time to the cause. SPGs also suffer from a general suspicion of the usual models of political action, which the movement has always been opposed to at local and national levels. Taking this position has hindered the use of Districts of the Solidarity Economy as consulting bodies for the development of new policies of relevance to the SPG movement.

In fact, SPGs activists often treat more traditional political activities with suspicion and this has hindered the transformation of SPGs into a political movement in the traditional sense. Most of the laws or public calls for funds, public spaces or public merely recognition require a formal institutionalisation process that many SPGs resist, which affects their capacity to be accepted as interlocutors by public entities or to access public money. This situation affects their capacity to tackle marginalisation - they can typically only intervene on an individual case-by-case basis. Resistance to institutionalisation further inhibits the capacity of SPGs to act as a lobby group at the local level. This situation is rarely seen as problematic, however, as most groups prefer to preserve their autonomy from all other actors instead of acquiring power and influence with public policies. Conversely, collaboration with public actors is limited as well.

We have a cultural impact for sure, that is in fact when there are the municipal elections they look for us to know what we think about and so on, but we always turn down (she laughs), because gasistas don't want to be involved in politics [SPG 0]

To conclude, SPGs can be considered as a social innovation in theoretical terms, although the innovators that animate them are more willing to see the social aspect of their contribution than the innovative character. This could be interpreted as a consequence of the wider sense of entropy and crisis common among many activists after 20 years of activity. Also, reports indicated a declining role of SPGs as mediators for accessing organic food since it had become more easily available in mainstream food supply by several new entrants. However, the category of political consumerism still retains its importance for understanding the complex sub-culture that characterises the movement. The next section investigates the role of solidarity in SPGs so as to comprehend better what political consumerism implies in practice and to understand the role of this cognitive frame in the definition of actions characterising this social innovation.

Solidarity: A Tool for Social Innovation

What makes the central cognitive frame of SPGs distinctive is its active promotion of solidarity: interviewees expressed the explicit goal of making economic relations as *personal* as possible, focussing on bringing social embeddedness into market exchange via creating new social networks. SPG participants did not only want to obtain better prices by supply chain disintermediation and by purchasing directly from producers, they also wanted to establish new economic processes that could disrupt traditional power economic hierarchies and pre-existing socio-economic settlements within the food supply chain. Their model was to build new and significant personal relationships between consumers and producers. In this sense, they perceived several potential beneficiaries of their actions beyond reducing prices for themselves. Despite the many different actors involved, the type of solidarity proposed by the SPGs was principally focused at the individual level: this excluded collective entities such as communities or private/public organisations from the reach of SPG activities.

Tuomela (2007) classified solidarity in a typology comprising three main orientations of actions: the I-perspective; the I/We-perspective; and the We-perspective. The I-perspective solidarity is oriented directly to benefit the person involved in the social innovation activity: in the case of SPGs members, this consists of accessing organic and high-quality food at lower prices compared to traditional food-supply chains. This advantage can be spread across several social networks including relatives, friends and neighbours. However, only certain categories of consumers are interested in accessing this type of product: even via SPGs, these products are still more expensive than buying food produced from industrial farming at supermarkets.

But certainly, in this case the solidarity aspect is oriented to gasistas because we can have prices (she laughs) that otherwise we would not have, because in some cases we have discounts of about 40% mostly because we buy in group, which is certainly more convenient compared to being a single consumer [SPG 3]

An intermediate level of solidarity, the I/We-perspective, occurs in relations within groups and between social innovators. Although the most established groups have built significant social capital amongst their members – within a SPG each member benefits from the help and support of others without, necessarily, having any direct, personal, relationship with the other members. However, the limited number of people within each group is a guarantee that reciprocity underpins all interactions. SPG members receive emotional and practical support from the group: they organise social events like lunches in farmsteads or visits to producers, bake bread together, cook sauces or prepare preserves. Groups can be seen as a communal and informal mode of provisioning that concretise the call for non-market principles to be at the heart of SPGs.

There's also someone who backed down the car, that, they back it down to the mechanic because it was not working anymore and… the other cars are shared, for instance our car is often… popular. For example, in our SPG on Thursday morning there are two members that do food shopping first at the farmstead and then in the supermarket, and they do it not only for themselves but for… if I need something from this farmstead or from the supermarket I just call [SPG 2]

Tensions can nevertheless occur among members. Ideally all the members of the group share its tasks: however, in practice, the principle of equal contribution is not always respected. Different types of groups can be identified in this regard:

- Centralised groups, in which core members manage purchasing (including organising distribution or shipping) for the passive members (who do not actively volunteer)
- Groups in which general tasks (distribution, management or secretary) are periodically shared across different members
- Fully horizontal groups, where all members have an active role and make decisions together, without an executive committee

In cases where the group opts for creating an association, the most active members tend to occupy positions such as president, public relations coordinator or treasurer. In cases where the group remains informal, individuals usually refuse to lay claim to a specific position in the group *("We are all referents", "I'm not the spokesperson", "I'm just a member"*). Core members usually do more volunteer work for the group, but this sometimes creates resentment towards apparent free riders, who do not actively contribute to the SPG yet enjoy its benefits. This breaks the implicit reciprocity of the group that is the basis of the I/We perspective. As they usually rely on part-time volunteers, the success of SPGs' activities depends largely on the goodwill of their members. Moreover, the

size of groups is often restricted since the volunteer model must always cover the costs of the logistics and distribution of goods.

The main condition is having time. SPG is not a supermarket, we always repeat it and… therefore it's not like just going there and then you just collect your goods and you're done, absolutely not [SPG 33]

The We-perspective comprises all those solidarity actions that are characterised by a fully altruistic orientation - where the giver neither expects a direct benefit for herself nor any reciprocity from the receiver. In this category are locally oriented actions towards the community or for the preservation of the environment in which the person lives or universalistic oriented actions towards society as a whole. This orientation is less frequent in SPGs and is evidenced mostly via the organisation of informative meetings, the organisation or participation in events like farmers' markets or town festivals, support in organising fairs that reinforce the principles of political consumerism. In this case, making the transformation from informal group to an association is critical: this process of institutionalisation makes SPGs more visible, which enables them to become interlocutors for local public bodies and other actors within civil society.

Finally, another form of the We-perspective solidarity is evidenced by actions specifically oriented towards the producers framed as the main beneficiaries of SPGs activities. Interviewees suggested that their actions focussed on producers were entirely altruistic offering them benefits like fair prices, new end markets and personal relationships with consumers. However, in these SPGs, the reciprocity may be weaker between consumers and producers. In these cases, solidarity may be based upon personal relations that are mediated by a single referent who is usually the only person directly in contact with and personally known by the producers for each SPG. Moreover, here solidarity is not typically oriented towards a social group or open to the general public, instead occurring between personal contacts directed to a single producer. Furthermore, power relations are usually asymmetrical: the consumer is still the one with the bargaining power, the one who may opt to change producers if they are dissatisfied with the product offered, the production, or the gate price.

Consumers may also risk succumbing to the paternalism typical of wealthier individuals that intrude on the agency of poor and vulnerable populations. Paternalism can occur when external actors deprive individuals of the right to decide what is best for improving their own life (Deneulin 2002). Thus, SPGs may claim the rights to decide what type of production and working practices their suppliers have to sustain, using the leverage of their purchasing power. More radical groups refuse to accept producers if they have any commercial relations outside of the SPGs. In certain cases, groups require new suppliers to complete a form in which they must declare the channels through which they sell their products and what type of production they have.

For producers, on the contrary, they improve a lot because they sell… their products at a price which is far superior to the one they could normally sell their products for plus they can learn in a viral way as you… as you say, with word of mouth, because we Italians in practice lean by word of mouth for everything and… when producers become suppliers of SPGs they make a jump… decisively positive, as long as they don't disappoint them, because when they disappoint them, they are abandoned (she laughs) [SPG 0]

An interesting example of this is one of the long-standing producers of the Northern part of Italy, who collaborated with the SPG movement from the very beginning. Several SPGs decided to stop

collaborating with the producer, after he ran for mayor in his small town for the Lega Nord party[3]. Although producer's political activities were not directly related to SPGs economic actions, many *gasistas* stopped buying from him as retaliation for his party's unacceptable ideology (although interviewees declared, broadly, that SPGs do not get involved in politics).

*For example, you heard that several SPGs have decided to cut their relations with *** because has declared in favour of Lega Nord but now on this matter I don't feel like I followed them, in the sense that now if you tell me that the producer *** exploit minors or unregistered workers or hence he has non-ethical attitudes, I agree let's cut him out, but if he has expressed ideas that I don't share, I don't feel like… […] if he produces ethically anyway and if his political ideas are not shared by me I will still buy from him* [SPG 14]

In conclusion, apart from self-interested reasons, interviewed members of the SPGs viewed their activities as 'other-regarding' and, specifically, oriented towards suppliers - while other categories of potential beneficiaries were less relevant (such as local communities other not-for-profit organisations, or socially excluded individuals). This might be interpreted as a legacy of the type of solidarity enacted by SPGs, which happens mostly through personal relations. Furthermore, as noted above, the solidarity of SPG action has often been limited in terms of a fully altruistic rationale (the We-perspective) – typically SPGs are more oriented towards forms of solidarity that are self-interested or that are guaranteed by reciprocity mechanisms across SPG members.

Thus, in SPGs, altruistic solidarity is mainly oriented towards the producers – who are the core of their socially innovative activities. However, relationships with producers are inherently characterised by power disparities and SPGs, perhaps inevitably, used their economic relationships with producers to shape their activities in alignment with their own principles. As a consequence, it is usually inappropriate to define the relationships between producers and consumers as 'reciprocal'. Indeed, reciprocity in Polanyi's terms (1944) only occurs when exchange is horizontal and reciprocal. In our case here, the relations between the SPG social innovators and their beneficiaries were characterised by asymmetrical relations in terms of bargaining power. SPG consumers typically chose to use their spending power as a tool to shape and control suppliers' behaviours rather than as a mechanism by which to address their economic marginalisation. The next section follows this line of reasoning to understand better the ways in which SPGs *do* aim to tackle marginalisation and to evaluate to what extent they are successful.

SPGs: Reducing the Economic Marginalisation of Suppliers

The small family farms that constitute the main targets of SPG activities are marginalised mostly because of their farming practices and their small size – factors that come together to create several layers of disadvantage in the market. Intermediaries and mass retailers often use their strong position of power to reduce the input prices of primary goods, concentrating their revenues at the intermediation level - instead of at the production level - of the food supply chain. Pursuing organic production also increases producer costs and decreases productivity as well, while small farm sizes impede access to regular markets unless farmers form cooperatives or other consortia. Additionally, small farm sizes hinder access to organic certification, which is important to reach high-end markets. Finally, small and micro- enterprises are typically owned and managed by a family and this may lead to inefficiencies and a lack of robust business planning. As a consequence, small organic producers are usually less competitive than traditional production that is driven by price competition alone.

[3]Lega Nord is an extreme right-wing party, which is hegemonic in several small municipalities in the Northern part of Italy.

However, despite these structural issues, our interviewee social innovators were hesitant to define their producer suppliers as 'disadvantaged' – they were more inclined to see them simply as being an alternative to the traditional supply chain. Only 16 respondents out of 35 considered their suppliers to be marginalised. Moreover, this perception of marginalisation was largely based upon the vulnerable biographies and personal traits (such as health problems or disabilities) of the suppliers: their marginalised position in the food supply chain was not automatically considered as a source of disadvantage. While interviewees generally saw the suppliers' disconnection with mainstream markets as a problem, only 10 respondents (out of 35) considered beneficiaries as potentially marginalised by this fact.

Oh my God, I don't know. I'm not able to imagine them as a 'disadvantaged' group, then we are all disadvantaged [we laugh]*, that is, I don't know, there are producers that love to be sorry for themselves, but… I don't know, it doesn't seem to me, if you do your job well, then you're not disadvantaged* [SPG 2]

An exception to this was the smallest farms among the producers - for these the farm sizes were so small that interviewees thought that SPG involvement in their end markets was essential to sustain their basic economic activities. Quite often, however, small farming activities did not constitute the main income or revenue of the people involved. A second exception was those social cooperatives whose main goal was to foster the employment of vulnerable individuals. In this case, the cognitive frame of marginalisation was not associated with the cooperatives' position in the food supply chain, but with the social traits of those employed by them.

*When he started selling eggs to us, he was working in *** and he had lost his job, his wife told me that he was in deep crisis, not because he had economic constraints but because he felt humiliated in… having lost his job and not having one anymore, he was ashamed of going out of his home, the fact that he has this small task with us, of bringing eggs, now he is a pensioner and he is quite relaxed now, but he was helped very much by that, then he also went to the SPG of ***, that is having the thing of… I have this task and I supply eggs to gasistas* [SPG 25]

Interviewees confirmed that they aimed to tackle the economic marginalisation of their producers by offering an alternative end market characterised by fair prices that were negotiated in a horizontal relationship with the final consumers. Their model also aimed to cut out intermediaries and to offer risk protection in the case of difficulties such as a bad harvest or economic downtown (by offering pre-financing support, for example). However, they did not think that any of the SPGs support was intended specifically to protect producers from vulnerability. Rather, they thought that it was only the coordinated actions of several SPGs that could uplift a producer from poverty and protect him/her against economic downturns - this tended to happen mainly with producers big enough to mobilise the entire local community of SPGs. However, such coordination was difficult to achieve, as there was typically no formalised and institutionalised structure connecting groups locally and nationally. As a result, any coordination tended to occur informally following a petition from well-known producers to mobilise dispersed groups for a specific project, for example. This suggests that coordination involving several SPGs usually came about as a response to an emergency or to the pleas from the most popular producers. For example, several interviewees reported the well-known case of the Tomasoni factory that was saved by coordinated pre-financing by the SPGs of Northern Italy at the beginning of the 2000s.

In my opinion, our experience is so small that… let's say I don't believe that producers could have, let's say, big advantages from our purchases, so, that is when you have

orders of something like 150 euros every month, therefore it's not that it changes your life in that sense [SPG 1]

This limited social impact of SPGs' economic activity can be seen as strongly linked to their choice of being small, self-organised, groups that rely mostly on the voluntary support of their members. Again, their resistance to formal institutionalisation plays a fundamental role. This incapacitates their ability to grow, thereby hindering their capacity to change existing, macro-level, economic relationships.

Now as it is organised, [the SPG experience] does something, but… I've spoken a lot with… some producers, I went visiting the producers and I know them and I know that many of them complain about the fact that the SPG group is a very informal experience and this informality makes… the thing, makes everything so variable that we cannot be a stable point of reference… in part because… in truth we would like to succeed in establishing a contract and a stable trusted relationship, but we don't have too much time to do it, we don't have too much energy to do it, sometimes we don't have either the competencies to understand whom we have in front of us or what he does and with what type of techniques he does to assess it…And, therefore, yes you should have an experience, more stability, to give them a guarantee…to have a on-going purchase relationship, to have a purchase relationship that grows and instead we depend on our energy, on our strengths and therefore… those are subjected to losses [SPG 30]

Along with reducing the economic marginalisation of suppliers, a second important goal of social innovation is fostering the social participation of beneficiaries (in this case, suppliers) (von Jacobi et al 2017). Although the main aim of SPGs is to create direct relationships with producers, only a couple of SPGs in our sample succeeded in having strong and systematic partnerships with producers or associations of producers, while the rest were mostly limited to the usual commercial exchange. Each member of a SPG is usually responsible for one (or more) type(s) of products: the person (called the referent) corresponds with a producer (usually a local family farmer), organises purchasing and shipping, and distributes the items to the other members. Each producer is in contact only with their assigned referent and is usually not directly involved in other group activities. Given this, SPGs struggle to foster greater participation for their beneficiaries (suppliers). In fact, most relations with producers occur at the commercial level, although interviewees do often recall friendships over the years between a referent and a producer as a signal of being distinct from normal economic exchange. None of the groups involve suppliers in defining goals and priorities; and relations between producers and members of the group (other than the referent) occur only occasionally (e.g. farmstead visits or product presentations). This cannot be regarded as systematic involvement for producers in the functioning of the social innovation.

Additionally, practices such as visits and controls of production can be regarded as a potentially paternalistic issue; for example, the organic certification that SPGs have promoted in the last few years. One of the biggest obstacles for the diffusion of organic production lies in the costs of organic certification, which in Italy is covered by private entities. Even though some regions do subsidize farmers, it is still quite difficult (especially for the smallest farms) to have a production that sustains the costs of third-party certifications. In response to this problem, single groups or a local coalition of groups promote what they call *participated organic certification,* a control mechanism on production – operated directly by *gasistas* or by experts on behalf of *gasistas* – to check if producers respect the rules of environmental sustainability that characterise the philosophy of the SPG movement. While this system enables the conversion of producers towards organic farming, it is questionable when SPG members - who might not have the necessary competencies to assess the work of suppliers – oversee it. Paternalism is also more implicit in terms of the different

power relations that can occur between buyer and seller, especially given the different social positions members and suppliers typically have.

We force the producers to give us the invoices and when this is possible to account for… for those who produce fruits and vegetables or anyway similar products, they have to account for how they produce, who they hire, who works for them and how the person works for them, which type of contract and things like that. We don't ask the signature of a contract or necessary a table, but we usually control who does what and how. In the case of meat or other things like that, it has already occurred to us… if we had to assess a new supplier maybe we should go to see where they live… where they reared the animals, what were their conditions and things like that. We're not expert clearly, but we can get an idea [SPG 15]

Despite this more negative dimension, two best practice examples can be found in the areas of Bologne and Milan. These are a result of the local activation of informal networks of SPGs promoted by the Districts of the Solidarity Economy. In the first case, local groups were trying to promote the engagement of producers via an established network of daily farmers' markets (SPGs in Bologna supply fresh fruit and vegetables through the *Campi Aperti* project) and the promotion of a Community Supported Agriculture initiative that was supported by the municipality. The municipality of Bologne allocated to the Arvaia Association – the first Italian Community Supported Agriculture – the fields that surrounding the town that were mostly public propriety. The association of producers were entitled to manage these areas, while SPGs supported them by pre-financing their activities and buying their products. In the Milan area, it was the agricultural production chain that was privileged: SPGs sustained projects by acquiring their final products such as bread or flour[4] while different producers cooperated all along the production chain.

The most organised and coordinated initiatives avoided the risk of paternalism best – typically a committee of experts, *gasistas* and suppliers took control, instead of self-organised SPGs members. However, such examples constitute an exception to the norm and are active only in the most populated and affluent regions of Italy. Local Districts of the Solidarity Economy act as coordinators for the producers involved, confirming the idea that to be effective in reducing the marginalisation of beneficiaries, single-group activities are not enough - coordinated action is required.

In conclusion, SPG activists are reluctant to consider their suppliers marginalised on the basis of their positioning in the food supply chain alone. Marginalisation was associated more so with individuals employed by the suppliers who had vulnerable biographies or with the producers owning the smallest farms. In this latter case, however, farming activities were often not the main income of suppliers, which puts in question the value of the SPGs' role in addressing suppliers' overall economic marginalisation. SPG action mainly consisted of offering producers end markets characterised by fair prices. However, these markets were often quite limited in capacity and erratic in their continuity of demand. Additionally, the will to intrude on the suppliers' practices might leave SPGs open to paternalistic practices. A resistance to formalisation also reduced the potential impact of SPG activities and also reduced their capacity to grow. Some interesting practices were observed at the local and national levels, when it was possible to coordinate the activities of several groups. However, only in the most affluent urban localities were these practices sustained with a degree of continuity.

[4]Spiga and Madia for the local DESBRI in the northern area; the wheat production chain for DES Parco Agricolo Sud in the southern area.

Conclusions

This chapter investigates the experiences of Solidarity Purchasing Groups in Italy in terms of their contribution to reducing the economic marginalisation of the producers with which collaborate. After more than 20 years, the SPG movement is now in a mature phase of development. As such, SPGs are one of the main social innovations in the domain of agriculture and food in Italy.

It is interesting to recognise how SPGs follow an ideology that is transversally shared across their local groups, in line with what is theorised as *political consumerism* in the sociological debate about alternative food networks (Stolle et al 2005). Despite being inherently critical of mainstream economic relations, SPG activities question fundamental market relations. Consumers still retain a stronger bargaining power compared to producers and they are willing to use this to influence producers' behaviour to suit their own ends. Furthermore, an inherent risk arises from the social origins of these social innovators: SPGs are part of a social movement promoted by an educated and affluent middle-class, whose actions are oriented towards beneficiaries - such as poor farmers and artisans - who might not have the same economic, social and cultural capital. This unequal power relation risks producing and sustaining paternalistic practices embedded in the SPG social innovation itself.

A second strong element in the ideological construct of SPGs is the concept of *solidarity*, which may be understood across three theoretical dimensions (Tuomela (2007): I-perspective; I/We-perspective; We-perspective. SPGs are a social innovation in which the benefit goes mostly to the consumer (I-perspective), to the inner circle of those participating in the social innovation (I/We-perspective) and, to a lesser extent, to their suppliers (We-Perspective). SPGs are not oriented to the general welfare of society nor do they help a particular social group. Rather, SPGs represent political action based on solidarity that remains mostly confined to the personal networks of the individuals involved. Producers tend to be involved in the activities of groups mostly on an individual basis. The type of relations that SPG groups put in place with their beneficiaries of their actions mostly occurs on the commercial level - which puts into question the effectiveness of their actions for reducing producers' overall marginalisation. However, their emphasis on solidarity still puts SPGs into the category of a hybrid system of provision, as the market relations are also embedded in communal forms of provision based on reciprocity and volunteer work (see chapter three).

Additionally, our interviewees were not keen to define themselves as social innovators nor did they consider the beneficiaries of their actions as marginalised individuals. In their opinion, SPG suppliers were simply an alternative to the mainstream economy. However, whilst they did recognise the inherent risk of the suppliers' market position, this was not seen as sufficient in itself to define them as marginalised. A single group was also rarely able to offer significant help to a marginalised producer - it was only the coordinated actions of multiple groups that made a difference. SPG groups' resistance to formalise themselves also hindered their capacity to access finance and grow.

In conclusion, the positive impact of SPG activities lies largely in offering market access, fair prices and rich social networks to marginalised producers. As long as this is accompanied by a respect for labour laws and taxation, this social innovation also positively impacts working conditions of producers. The negative impact lies in the limited extent of their overall effectiveness: SPG members help beneficiaries, yet they rarely involve them in the management of the group – contrary to the alternative food networks that are established elsewhere in affluent countries (e.g. Community Supported Agriculture). This research shows that a social innovation works best when it focuses on creating systematic and meaningful participation for its beneficiaries (Cruz et al 2017).

Thus, aiming for effective solidarity requires a reflexive criticism of their own actions by the SPGs groups themselves as well their being attentive to wider policy agendas of relevance to their key beneficiaries.

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Appendix

Table 1 - List of the main characteristics of SPGs group investigate in CRESSI

Code	Region	Vulnerability of the context[5]	No. members	Type of Group
SPG0	Lombardia	Prevailing	40	Informal group
SPG1	Abruzzo	Vulnerable	30	Informal group
SPG2	Lombardia	Affluent	25	Formal association
SPG3	Lombardia	Affluent	45	Informal group
SPG4	Abruzzo	Vulnerable	7	Informal group
SPG5	Abruzzo	Vulnerable		
SPG6	Trentino-Alto Adige	Prevailing	38	Informal group
SPG7	Emilia-Romagna	Affluent	21	Informal group
SPG8	Emilia-Romagna	Affluent	130	Informal group
SPG9	Emilia-Romagna	Affluent	20	Formal association
SPG10	Emilia-Romagna	Affluent	91	Formal association
SPG11	Piemonte	Prevailing	30	Informal group
SPG12	Piemonte	Prevailing	20	Formal association
SPG13	Lazio	Prevailing	39	Formal association
SPG14	Liguria	Vulnerable	28	Formal association
SPG15	Lombardia	Affluent	18	Formal association
SPG16	Toscana	Affluent	30	Informal group
SPG17	Toscana	Affluent	25	Informal group
SPG18	Veneto	Affluent	25	Informal group
SPG19	Lombardia	Affluent	25	Formal association
SPG20	Veneto	Prevailing	203	Informal group
SPG21	Veneto	Prevailing	43	Formal association
SPG22	Veneto	Prevailing	28	Formal association
SPG23	Liguria	Vulnerable	75	Formal association
SPG24	Liguria	Vulnerable	80	Formal association
SPG25	Marche	Prevailing	49	Informal group
SPG26	Lombardia	Affluent	23	Informal group
SPG27	Lombardia	Prevailing	30	Informal group
SPG28	Piemonte	Prevailing	65	Informal group
SPG29	Piemonte	Prevailing	30	Informal group
SPG30	Veneto	Prevailing	20	Informal group
SPG31	Campania	Vulnerable	85	Formal association
SPG32	Campania	Vulnerable	15	Informal group
SPG33	Puglia	Vulnerable	15	Informal group
SPG34	Sardegna	Vulnerable	30	Formal association

[5] The range of the analysis covered the entire Italian area to ensure that an equivalent proportion of SPGs in affluent contexts, prevailing contexts and at-risk contexts, on the basis of an index of vulnerability (Chiappero Martinetti *et al.* 2017), were surveyed. This was determined using a combination of three different indicators: the at-risk of poverty-rate (NUTS2), occupational level (NUTS3) and GPD per person (NUTS3).