Explaining Québec’s Social Economy Turn

Gabriel Arsenault
Université de Moncton

ABSTRACT
Québec has been structuring and promoting a social economy sector since the mid-1990s. What explains this specificity of the Québec social model? Careful process tracing analysis reveals that the mobilization of Québec’s left in the mid-1990s, followed by coalition engineering during the 1996 economy and employment summit, account for Québec’s distinct trajectory. Consistent with power resource theory (PRT), at the agenda-setting stage, protagonists of Québec’s social economy policies were associated with the left. Contrary to what is assumed by PRT, however, at the decision stage, the right’s consent to social economy policies was not conditioned by a weak bargaining position or by a fear of antagonizing voters.

RÉSUMÉ

KEYWORDS / MOTS CLÉS: Social economy; Social policy; Québec; Power resources; Coalitions / Économie sociale; Politique sociale; Québec; Ressources de pouvoir; Coalitions

INTRODUCTION
This article highlights an overlooked distinctive feature of the Québec social model: the government institutionalization of the social economy. In the mid-to-late 1990s, the Québec welfare state took a veritable social economy turn by launching, expanding, or consolidating various networks of social economy enterprises (SEEs), delivering subsidized social services, especially in the areas of childcare, home assistance, community housing, and social insertion (Vaillancourt,
No other province “adopted” the concept of the social economy to this extent (Downing & Charron, 2010). What accounts for Québec's distinct trajectory?

Surprisingly, this puzzle has received very little attention from students of the Canadian welfare state. Existing studies have sought to explain cross-provincial differences in only some of these sectors, including childcare (Haddow, 2015; Jenson, 2002) and home assistance (Jenson & Phillips, 2000; Tremblay & Vaillancourt, 2002). Also, while several studies have tangentially proposed causal explanations of Québec's distinct general social economy turn (as further discussed below), no study has really focused on doing so. This article fills this gap by investigating how Québec first came to recognize and promote the social economy sector.

The article makes two main arguments. First, consistent with power resource theory (PRT) (Esping-Andersen, 1985), it argues that it was the left that put the social economy on the Québec government’s agenda in the mid-1990s. In particular, pressures from the women’s movement and a major union federation, the Confédération des syndicats nationaux (CSN), led to the creation of a task force on the social economy during the 1996 economy and employment summit. Second, it argues that the concertation setting of the 1996 summit enabled a left/right coalition on the social economy. More specifically, the social economy projects proposed by the task force satisfied both the left and the right as they were thought to create jobs and address unmet social needs while infringing upon neither the public nor the private sector. Contrary to what is assumed by PRT (Korpi, 2006), the right's consent was not conditioned by a weak bargaining position or by a fear of antagonizing voters.

The remainder of this article is divided into six sections. The first clarifies the concept of the social economy and introduces Québec's social economy policies; the second outlines the main hypotheses possibly accounting for Québec's distinct trajectory; the third explicates the methodological approach employed; the fourth and main section tests the hypotheses; the fifth explores alternative explanations; the sixth concludes the article.

QUÉBEC’S SOCIAL ECONOMY POLICIES

In Québec, the “social economy” broadly refers to co-operatives, mutual societies, and nonprofits providing goods or services in the market (Groupe de travail sur l’économie sociale, 1996; Québec, 2013). Self-recognized SEEs typically also share certain ideals, such as to provide “genuinely” useful goods and services (in contrast to simply responding to the demands of a consumerist society) and to have democratic or empowering governance (Groupe de travail sur l’économie sociale, 1996; Québec, 2013). Identification to the social economy is thus highly political, and actors on the ground constantly debate and negotiate whether specific organizations satisfy the ideals of the social economy. The Québec government nonetheless estimates that there are over 7,000 social economy enterprises in the province, representing about four percent of total employment (Québec, 2015).

A strategic economic sector

In March of 1996, at the Conference on the Social and Economic Future of Québec, where social partners agreed on the short-term priorities of stimulating employment and eliminating the public deficit, the government decided to establish three task forces: one on the private sector, presided over by pharmacy magnate Jean Coutu; one on the social economy (Groupe de travail sur l’économie sociale [GTES]), presided over by Nancy Neamtan, who then represented the Coalition des organismes communautaires pour le développement de la main-d’oeuvre; and one on Montréal, presided over by André Béard, then leading the National Bank.1 When the GTES presented its recommendations the following October during the summit’s second phase, a large consensus between community groups, unions, employers, and government officials formed around the necessity to promote the social economy (Lévesque, 2013).
This article focuses on this critical juncture. Giovanni Capoccia (2015) identifies three key steps to the study of critical junctures. First, there needs to be a “phase of political uncertainty in which different options for radical institutional change are viable” (p. 151). As emphasized below, the 1996 economy and employment summit constituted such a phase of high uncertainty and contingency, where political agents could play a decisive role. At that summit, the Québec government could have rejected the reforms proposed by the GTES, but instead decided to innovate and implement them. Second, “anteecedent conditions constrain the range of limited options” (p. 151). The contingency of the 1996 summit was not absolute. Prior developments made a limited number of social economy projects politically mature. Third, the selection of the option at hand “generates a long-lasting institutional legacy” (p. 151). Two decades later, it is possible to identify the 1996 summit as such a “critical” juncture with respect to the social economy, as most of social economy reforms that it helped launch have survived to this day.

In the aftermath of the summit, sectoral social economy policies were launched to support, inter alia, Québec’s networks of early childhood centres, community housing, training businesses, disability-friendly enterprises, and home-assistance social economy enterprises. Québec’s financial support to these social economy projects increased from just under $0.2 billion in 1996–1997 to over $1 billion in 2002–2003 (Québec, 2003) and then to an annual average of $1.7 billion between 2003 and 2008 (Québec, 2008), with about 70 percent of these latter sums being channelled toward early childhood centres (Québec, 2008).

Québec also put in place a number of transversal policies (Chaves, 2002) to recognize and promote its social economy sector more broadly. First, since 1999, the Social Economy Worksite (Chantier de l’économie sociale) has been recognized, along with the much older Quebec Council of Cooperation and Mutuality (CQCM), as one of the sector’s two permanent peak associations (Québec, 2013) and receives an annual governmental grant of about $600,000 (Québec, 2015).

Second, in 2002, a permanent Office of the Social Economy was created to research and advise the responsible cabinet minister on matters related to the social economy. The office has so far helped produce three social economy action plans (Québec, 2003; 2008; 2015). Provincially funded regional development bodies have similar social economy committees.

Third, legislative adjustments were made to recognize and support Québec’s social economy. The provincial Cooperatives Act was amended in 1997 to allow for multi-stakeholder co-operatives (cooperatives de solidarité), effectively blurring the distinction between co-operatives and nonprofits, and reinforcing the social economy identity of these new organizations (Conseil québécois de la coopération et de la mutualité, 2013). Similarly, Québec’s Act Respecting Assistance for the Development of Cooperatives was amended in 1997 so that nonprofit organizations were recognized as eligible to governmental economic development programs traditionally only addressed to co-operatives. The goal was to support “social economy enterprises” rather than only co-operatives (Béland, 2012). More recently, in 2013, Québec was among the first societies in the world to adopt a Social Economy Act (Chantier de l’économie sociale, 2013).

Fourth, new financial and technical assistance tools were made available to Québec’s SEEs. Three publicly funded financial tools specifically targeting Québec’s SEEs have been created since the mid-1990s: the Réseau d’investissement social du Québec, launched in 1997 and co-funded by employers and the Québec government; two financial products for SEEs offered by Investissement Québec since 2001; and the Fiducie du Chantier de l’économie sociale, launched in 2008, and co-funded by the federal government, the Québec government and Québec labour funds. Together, these three funds now invest nearly $400 million per year in Québec’s SEEs (Mendell & Zardani, 2013).
Fifth, in 1995, the Société québécoise de développement de la main-d’oeuvre established workforce committees in 29 strategic economic sectors to identify and address issues in its sectorial labour markets. In 1997, the social economy was given its own sectoral workforce committee, the Comité sectoriel de la main-d’oeuvre en économie sociale et action communautaire, which is still active today.

Sixth, in 2012, following the termination of the Social Sciences and Humanities Research Council (SSHRC) funding of social economy research (see below), Québec started actively funding an organization called Territoires innovants en économie sociale et solidaire, which has a mission to strengthen the relationship between social economy organizations and researchers.

In other provinces, co-operatives, nonprofit organizations, and social enterprises obviously exist and enjoy various levels of government support (Quarter, 1992; Quarter, Mook, & Armstrong, 2018), but they are not specifically recognized or supported as “social economy enterprises” by governments (Diamantopoulos, 2011; Downing & Charron, 2010; Laforest, 2011; Vaillancourt & Thériault, 2009). In Ontario (2013), for example, what comes closest to Québec’s general social economy policies is the 2013 Social Enterprise Strategy, the province’s first, and so far only, action plan for social enterprises. With an envelope of $7 million, however, the plan is modest, and has not been accompanied by other “social economy” policies.

**HYPOTHESES**

In accounting for Québec’s social economy turn, four types of explanations have been invoked. First, Québec’s social economy can broadly be viewed as a response to the structural changes in the economy, and to de-industrialization and rising unemployment in particular. There is little doubt that this is true. Existing accounts of Québec’s social economy turn emphasize how social economy initiatives stemmed from a preoccupation with employment (e.g., Lévesque & Petitclerc, 2008). Yet, this kind of explanation cannot explain why Québec has been the only province actively promoting the social economy, given that similar structural changes were experienced across the member countries of the Organisation for Economic Co-operation and Development (OECD).

Second, Québec’s social economy policies have largely been influenced by “social investment” ideas (e.g., Graefe, 2006). In contrast to Keynesian social policies that sought to protect citizens from the excesses of the market, active “social investment” policies seek to further equality by integrating the non-employed into the labour market (Bonoli, 2013; Hemerijk, 2013). Again, this is certainly the case. In a preparatory document published just a few days before the conference in March of 1996, the government explicitly stated the view that “the development of the social economy … constituted a promising avenue to reintegrate in a productive and socially useful way persons who are currently excluded from the labor market” (Québec, 1996, p. 43, author’s translation). Yet, such an explanation cannot explain any of the specifics of the Québec case, as social investment ideas were dominant across the OECD. In fact, Jane Jenson (2017) speaks of a currently emerging policy paradigm in Europe based on the meeting of “social entrepreneurship” and “social investment.”

Two other hypotheses, which are labelled in this article as “power resources” and “coalitions,” can more plausibly explain Québec’s distinct trajectory. They are explored in greater detail.

**Power resources**

In the traditional power resource theory, social policies are viewed as the result of a long-term struggle between labour, represented by unions and social democratic parties, and capital, represented by employers and conservative parties (Esping-Andersen, 1985). Although a direct allusion to power resource theory has never been made in trying to explain Québec’s social economy turn, it is common to interpret this distinctive turn as the result of Québec’s more powerful left compared to other provinces in the mid-1990s (e.g., Graefe, 2006). In Ontario, then-premier Mike Harris could make wel-
fare state cuts without having to make concessions to the left; in Québec, by contrast, then-premier Lucien Bouchard could only realize his zero-deficit agenda by making a number of concessions to the left, such as expanding a social economy sector (e.g., Salée, 2003).

A hypothesis stressing the power of the left is credible as Québec had a stronger left than other provinces in the mid-1990s. Indeed, compared to other provinces, Québec has had a strong left over the past few decades. Figure 1 shows that from 1945 to 2015, and especially since 1980, Québec had social democratic governments more often than most provinces, but less often than Manitoba and Saskatchewan. Figure 2 shows that Québec is the only province not to have had conservative governments since 1970 (see Pétry, 2013).

**Figure 1. Number of months of social-democratic governments in Canadian provinces**

![Figure 1](image1.png)

Notes: Social-democratic governments include CCF, NDP, and PQ governments. The figure makes no distinction between majority, minority, and coalition governments. The data cover the period from January 1, 1945 (April 1, 1949, in the case of Newfoundland) to December 31, 2015.

**Figure 2: Number of months of conservative governments in Canadian provinces**

![Figure 2](image2.png)

Notes: Conservative governments include governments ruled by progressive-conservative parties, social credit parties, the Union nationale, and the Saskatchewan Party. The figure makes no distinction between majority, minority, and coalition governments. The data cover the period from January 1, 1945 (April 1, 1949, in the case of NL) to December 31, 2015.
Similarly, Figure 3 shows that union density, which measures the share of workers who are unionized, and union coverage, which measures the share of unionized and non-unionized workers who are covered by a collective agreement, have been higher in Québec than in most other provinces since the mid-1970s. In fact, union coverage has been higher in Québec than in any other province every year since 1997.

Figure 3: Average union density (1976–1995) and union coverage (1997–2014) rates in Canadian provinces

Québec's pro-equality civil society organizations were also particularly well organized in the wake of the 1995 Women's March Against Poverty (see Solidarité populaire Québec, 1994). Hence, representatives of several such groups, including the Québec women's federation (Fédération des femmes du Québec [FFQ]), actively participated in the 1996 economy and employment summit. As one respondent put it, “the government preferred to have us around the table than protesting on the streets.” It was the first time that Québec community groups played such an active part in a broad national concerted action exercise (Comeau, Favreau, Lévesque, & Mendell, 2001). In comparison, the influence of pro-equality civil society groups in Canada outside Québec seemed weaker in the mid-1990s (Phillips, 2013).

Coalitions
The fourth possible explanation of Québec’s social economy turn focuses on its distinct tradition of concerted action and left-right coalitions. In a power-based explanation, left-right agreements are possible, but they are underpinned by a particular distribution of power resources. Conservative parties, for example, may strategically consent to welfare state expansion in a context of negotiation or if they fear antagonizing voters (Korpi, 2006). Responding to this dominant power resource approach, numerous studies have argued that employers’ support of social policies may in fact reflect sincere preferences rather than a weak bargaining position (Hall & Soskice, 2001; Martin & Swank, 2012).

Institutions bringing together representatives of labour and capital typically facilitate such cross-class coalitions on social policy (Häusermann, 2010). Such concerted action is more common in Québec than in other provinces (Haddow, 2015; Rigaud, Côté, Lévesque, Facal, & Bernier, 2010; Tanguay, 1984). The 1996 March conference on the social and economic future of Québec and the October economy and employment summit, in particular, constituted a setting that was conducive to coalition building (Noël, 2013) and has been argued to be instrumental in Québec’s social economy turn (e.g., Lévesque, 2013).

**METHODS AND DATA**
Using process tracing (Goertz & Mahoney, 2012), diagnostic pieces of evidence within the Québec case are sought to
support or reject the alternative explanatory hypotheses. A wide variety of written sources are used to test the hypotheses. In addition to secondary and archival sources, including the transcripts of the 1996 October Summit, 38 semi-structured interviews are used. Interviewees chiefly include Québec-based representatives of the public service, unions, employers, pro-equality community groups, and various political parties. They possess insider knowledge of various aspects of the policy process leading to Québec’s social economy policies. New respondents were solicited until saturation point (Baker & Edwards, 2012). The final sample appears to be sufficiently large and diverse to satisfactorily answer the research question.

Evidence
Why is the social economy recognized and actively promoted by policy in Québec? This article argues that both the power of the left and a tradition of distinctive concerted action mattered, but at different stages of the policy process (Sabatier & Weible, 2014). More specifically, this section makes two main claims. First, the mobilization of the left was responsible for putting the social economy on the Québec governmental agenda in the mid-1990s. In other words, at the agenda-setting stage, Québec’s social economy story is one of power resources. At the 1996 summit, however, both the political left and the right perceived social economy policies as aligning with their preferences. In other words, at the decision-making stage, Québec’s social economy story is one of coalitions rather than of power resources.

The mobilization of the left
Before the 1995 Women’s March Against Poverty, virtually no one in the government and general population was familiar with the concept of “social economy” (D’amours, 2002). Then, under the leadership of the FFQ, the Women’s March Against Poverty made nine specific demands, including one to invest in “social infrastructures” or in the “social economy” (David, 1995, p. 5). To stimulate employment, the federal government had invested in a “bricks and mortar” type of infrastructure program that overwhelmingly favoured male workers; the idea was now to invest in a “proximity services” type of infrastructure program that would favour female workers. In response to this demand, Income Security Minister Jeanne Blackburn constituted a social economy committee (Comité d’orientation et de concertation sur l’économie sociale [COCES]) and promised to inject $225 million in Québec’s social economy or social infrastructures (Venne, 1995)—at that point, the two expressions were used interchangeably.

The women’s march, however, had a limited impact on the development of Québec’s social economy. According to six respondents involved in the 1996 summit, the creation of a committee on the social economy was mostly a political response meant to save time and never became a government priority (see also Graefe, 2006). Critically, when the COCES issued its final report, the GTES had already been formed. With respect to the social economy, the key achievement of the 1995 women’s march was to popularize the concept. Nancy Neamtan herself reports to have discovered this concept in the wake of the march (Lacombe, 2011). Hence, when the Bouchard government was preparing for the 1996 conference in March and thinking about an employment strategy, the social economy was an option to consider.

Evidence also suggests that the Parti Québécois (PQ) was more willing than the Quebec Liberal Party (PLQ) to recognize and support the social economy. First, Québec’s willingness to explore social economy policies initially resulted from a rejection of the Liberals’ income security reform. In the early 1990s, the Québec Liberals put in place a number of “workfare” programs—the best-known ones being PAIE (programme d’aide à l’intégration en emploi) and EXTRA (expérience de travail)—which gave social assistance recipients six-to-twelve-month work experiences, made possible by wage subsidies to their employers (Shragge & Deniger, 2002). The desirability of these programs was not questioned within the Liberal Party (PLQ, 1998). The PQ, in contrast, quickly dismantled them. The left resisted the Liberals’ workfare programs as it sought to provide permanent, useful, and decently paid jobs to the unemployed, instead of what was perceived as dead-end work opportunities (Fournier, 2000). For many within the left, the emphasis should be less on changing the benefi-
The promotion of the social economy sector by the government may be partly understood as a response to pressures from the left to adjust the labour market so that “real jobs” became available to those structurally excluded from the competitive labour market.

Second, before 1996, compared with the Liberals, the PQ had expressed significantly more ideological sympathy for the kinds of organizations now recognized as belonging to the social economy. In its 1976 electoral platform in particular, the PQ (1975) suggested that it wanted to move beyond capitalism toward a more co-operatives-based economy. Although such a transition was not launched in 1976, René Lévesque’s PQ government extended substantial support to co-operatives by: implementing a governmental policy on the development of forestry co-operatives (1977), creating the Société de développement des coopératives (1978), putting an end to the moratorium on school-based co-operatives (1979), organizing the Co-operation Summit (1980), launching Québec’s regional development co-operatives networks during the early 1980s, and supporting the development of ambulance co-operatives (Girard, 1999).

Since 1996, the centre-left PQ has also proven to be particularly committed to the social economy. PQ governments have put in place the bulk of Québec’s existing social economy policies mentioned above. In contrast, the centre-right Jean Charest and Phillippe Couillard Liberals have not introduced major new social economy policies.

A look at party platforms since 1996 similarly suggests that the social economy is slightly closer to the preoccupations of the left—Parti Québécois (PQ), Québec solidaire (QS) and Option nationale (ON)—than of the right—Parti libéral du Québec (PLQ), Action démocratique du Québec (ADQ) and Coalition avenir Québec (CAQ)—and that it is especially important for the PQ. Table 1 suggests this by reporting the number of times the expression “social economy” is used in parties’ electoral manifestos.

Table 1. Use of the expressions “social economy” or “solidarity economy” in electoral platforms

<table>
<thead>
<tr>
<th>Year</th>
<th>PQ</th>
<th>QS</th>
<th>ON</th>
<th>PLQ</th>
<th>CAQ</th>
<th>ADQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>–</td>
</tr>
<tr>
<td>2012</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>–</td>
</tr>
<tr>
<td>2008</td>
<td>1</td>
<td>2</td>
<td>–</td>
<td>0</td>
<td>–</td>
<td>0</td>
</tr>
<tr>
<td>2007</td>
<td>3</td>
<td>–</td>
<td>–</td>
<td>0</td>
<td>–</td>
<td>3</td>
</tr>
<tr>
<td>2003</td>
<td>0</td>
<td>–</td>
<td>–</td>
<td>1</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>1998</td>
<td>6</td>
<td>–</td>
<td>–</td>
<td>0</td>
<td>–</td>
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Source: Société du patrimoine politique du Québec

Unions have also been instrumental in bringing the social economy near the top of the governmental agenda in the 1990s. In particular, according to the author’s interviews with both former CSN leader Gérald Larose and former premier Lucien Bouchard, the CSN significantly contributed to the decision of establishing a social economy task force during the conference in March of 1996.

Unions, however, are not of one mind with respect to the social economy. During the October summit, the CSN, which had already conducted some research on the social economy (Aubry & Charest, 1995; Paquette, 1995) expressed con-
siderably more support than the province’s other big union federation, the Fédération des travailleurs et travailleuses du Québec (FTQ), a difference that was strongly emphasized in several interviews.

In sum, in attempting to explain why Québec took a social economy turn, the importance of the left should be emphasized. In Québec, although the left is not unanimously supportive of the social economy, the impulse and the most important allies for social economy policies came from actors associated with the left: the FFQ, the Parti Québécois, and the CSN.

**Coalitions**

The protagonists initiating social economy policies came from the left. The right nonetheless consented to these policies. Indeed, the GTES’s report, *Daring Solidarity!*, was formally approved by all the social partners attending the 1996 October summit (Secrétariat sur l’économie et l’emploi, 1996). Moreover, contrary to PRT’s assumption, the right’s consent was not conditioned by a weak bargaining position. In fact, unions seemed more reluctant than employers to support the GTES’s report (Dufour, 2009; Pichette, 1996).

By 1996, even if the PQ was in power, it was far from clear that the right suffered from an unfavourable bargaining power. The new premier, Lucien Bouchard, was widely perceived as conservative (Mouterde, 2003), and it was clear that his main priority was to achieve a zero deficit (Québec, 1996). The context of the 1996 summit was arguably one where the power of unions and employers was relatively balanced.

As the 1996 summit was discussed extensively by the mass media in Québec, and filmed live on the Réseau de l’information (RDI), strategic considerations dominated. In particular, as one respondent emphasized: “individual employers actively participating in the Summit did not want to be publicly seen as opposing acts of solidarity. Unlike employers’ associations, individual private companies can be boycotted by angry citizens-consumers.” With respect to the social economy, however, there is little evidence that employers’ support stemmed from a fear of consumer retaliation.

Very quickly, when the GTES was formed, unions feared that the social economy would come to infringe on the public sector (Boivin & Fortier, 1998), while employers feared “unfair competition” (Larose, 2001, p. 153) between subsidized social economy enterprises and non-subsidized for-profit businesses. As illustrated in Table 2, to achieve a consensus on the social economy, the GTES needed to allay such fears, by emphasizing that the social economy would act as a complement to the public and private sectors in a context of high unemployment and unsatisfied social needs, such as in the areas of care and training.

**Table 2. Four understandings of the social economy and corresponding Left-Right support**

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<thead>
<tr>
<th></th>
<th>Left support</th>
<th>Right support</th>
<th>Left-Right consensus</th>
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<tbody>
<tr>
<td>No substitution</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Private sector substitution</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Public sector substitution</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Private &amp; public sector substitution</td>
<td>No</td>
<td>No</td>
<td>No</td>
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For the GTES, identifying such consensual projects was a challenge, as in practice, the left hoped that social economy policies would lead to private sector substitution, while the right hoped they would lead to public sector substitution. For many actors of the left, the social economy promised an alternative to neoliberalism (Guay, 1996; Wright, 2010). Alternatively, within the right, many believed that the social economy was about limiting the growth of the welfare state. As one employer attending the summit put it: “We must avoid sending the elderly into public institutions … that would be way too costly … social economy home care is much preferable.” In his popular book Et si on s’y mettait, Jacques Ménard (2008), the employers’ representative within the GTES, applauds SEEs’ hard work in a context where “welfare states tend to abandon entire areas of social services” (pp. 233–234, author’s translation). During the October summit, Charles Sirois (Teleglobe, Inc.) stated that government regulation was in fact an obstacle to the development of the social economy (Secrétariat sur l’économie et l’emploi, 1996). Action démocratique du Québec (ADQ) leader Mario Dumont similarly lauded the social economy for its autonomy from the state and expressed the hope that it would stay “far from bureaucrats” (Secrétariat sur l’économie et l’emploi, 1996, pp. 83–84, author’s translation).

To satisfy the left’s preferences, the GTES’s (1996) final report casts the social economy as a humane and democratic economy and explicitly Endorses the non-substitution principle for the public sector. Social economy projects that infringed too much upon the public sector were discarded. The most controversial project concerned home help for the elderly precisely because it had the potential to replace public sector local community services centres in this area (Fournier, 2003). Similarly, allusions to Québec’s existing networks of healthcare and paramedic worker co-operatives were avoided in the report. As two respondents reported, a social economy project in the area of school homework support was also discarded because “education belonged within the public sector.”

The GTES’s (1996) report similarly satisfied the right’s preferences, as no proposed social economy project clearly threatened to infringe upon the private sector. There is simply neither documentary nor interview evidence that a particular social economy project was opposed by employers, in particular. The case of domestic workers is illustrative. This single issue spurred a huge debate within the left and countless articles and even books (Vaillancourt, Aubry, & Jeté 2003; Vaillancourt & Jeté 2009). Yet, in an interview with the author on July 15, 2014, the for spokesperson for the Conseil du patronat du Québec, Ghislain Dufour, confesses that he does not remember much about this issue: “Look, we really had other fish to fry during that summit … to take one example, unions were talking about a moratorium on lay-offs in order to stimulate the employment level! Whether domestic work for the elderly was taken care of by the state or the social economy did not really concern business.” Moreover, employers did not believe in the social economy’s potential to “build another economy.” As André Bérand put it: “If small social economy enterprises want to grow, for all practical purposes, they will turn themselves into something quite close to traditional firms” (Robitaille, 1998, author’s translation). For employers, the GTES’s social economy projects seemed inoffensive.

Building a left-right coalition behind the social economy, however, involved more than mechanically identifying projects that infringed upon neither the public nor the private sector. The GTES needed to deploy superior persuasion skills to win the support of social partners. Nancy Neamtan quickly proved that she had such skills. Between the conference in March of 1996 and the October summit, she was constantly talking to government officials, union leaders, employers, and community representatives to convince them about the virtues of the social economy. Records of these countless private discussions are not available, but a story independently told to the author by Nancy Neamtan and Louise Harel and alluded to by Jean Robitaille (1997) and Denis Lessard (1996) illustrates Neamtan’s ability to build bridges with employers to promote solidarity and the social economy. For the October summit, the community sector, led by Françoise David and Vivian Labrie, demanded a “zero-impoverishment clause,” which required that no policy contribute to the impoverishment of the poorest fifth of the population. On the last night of the summit, between October 31 and November 1, Louise Harel called Nancy Neamtan to tell her that the government was not going to endorse the zero-impoverishment
clause and that she was therefore seriously considering not attending the end of the summit. In the morning of November 1, Neamtan convinced the other task force leaders, Jean Coutu and André Bérard, that something had to be done. A few months earlier, in March, Bouchard (1996) made it clear that the deficit needed to be eliminated without increasing taxes: "Une autre tentation, serait de taxer l’avantage. … C’est un peu comme dire au dentiste : ‘docteur, ne vous occupez pas trop de ma dent malade, mais faites-moi mal sur une de mes bonnes dents qui restent!” Yet, for the remainder of that day Coutu and, especially, Bérard actively and successfully pushed for a new one-shot $250 million anti-poverty tax (Venne, 2015), a compromise between the status quo and an anti-impoverishment policy. Of these funds, $119 million would be raised by the employers themselves and $7.4 million would be specifically earmarked for social economy projects (Comeau et al., 2002).

In sum, a coalitional approach to social economy policies stresses left-right agreements in a context of relatively balanced distribution of power. In Québec, such an agreement was produced during the 1996 socio-economic summit through the coalition engineering of the GTES, which carefully crafted social economy projects that did not hinder the interests of employers or unions and turned the ambiguity of the social economy into a selling point.

Alternative explanations
No explanation is ever exhaustive, however. Hence additional factors certainly played a role in Québec’s social economy development. Hence, there is some evidence that Québec’s cultural proximity with Francophone Europe shaped its social economy policies. In particular, when the GTES had to provide a definition of the social economy, it directly borrowed the one from the Walloon Council of the Social Economy (Mendell, 2003). Different cultural ties with Europe, however, are unlikely to really explain Québec’s policy divergence, as there are few obstacles to policy diffusions within federations (Kollman, Miller, & Page, 2000): if social economy policies could be diffused from France to Québec, they could certainly have diffused from Québec to the rest of the country. The fact that they failed to do so suggests that other factors are at play.

During Paul Martin’s minority government (2004–2006), Ottawa seriously did attempt to “learn” from Québec. Demonstrating her role, once again, as coalition engineer, Nancy Neamtan convinced Martin (2008) of the virtues of the social economy. Impressed with what she had done in Québec, Martin wanted Ottawa to import this “best practice” and structure a pan-Canadian social economy (Martin, 2008). When Martin (2008) became prime minister, he quickly “set aside … 132 million dollars for the social economy and gave a leading Parliamentary Secretary, Eleni Bakopanos, the nod to push the envelope as far as she could” (p. 326). Eleni Bakopanos, also from Montréal, hoped to create a federal structure analogous to Québec’s Social Economy Worksites and to spend the $132 million she had been made responsible for across the country. At the end, however, she was only able to spend a small fraction of that sum and most of it went to Québec. Hence, $28.5 million—later reduced to $22.8 million (Vaillancourt & Thériault, 2009)—was set aside to help launch the Fiducie du Chantier de l’économie sociale while the “other provinces didn’t have the structures to manage social economy funds” (interview with Eleni Bakopanos). Another $15 million was given to SSHRC in 2004 to support partnership-oriented research on the social economy across Canada. When the Conservatives were elected in 2006, the social economy fell off the government agenda. The expression “social economy” stopped being used, no new sums were put forward for the social economy, and by 2011 the SSHRC’s social economy research program was over (Jackson, 2008).

CONCLUSION
In conclusion, the social economy is a blind spot in the study of Canadian politics. This study suggests that investigating social economy policy is nonetheless necessary to better understand the specificity of the Québec social model within the Canadian context.
Québec has been structuring and promoting a “social economy” sector since the mid-1990s. No other province has institutionalized this sector to this extent. Why? The analysis demonstrates that both power resources and coalitions mattered, but that they mattered at different stages of the policy process. At the agenda-setting stage, the strength and mobilization of the left in Québec in the mid-1990s was instrumental; but at the decision stage, during the 1996 socio-economic summit, it was a carefully engineered left-right coalition that underwrote Québec’s social economy policies.

Consistent with PRT, the protagonists of Québec’s social economy policies were clearly associated with the left, while actors from the right functioned as consenters (Korpi, 2006). Contrary to what is usually assumed by PRT, however, the right’s consent to social economy policies was not merely strategic and conditioned by a weak bargaining position. Promising to infringe upon neither the public nor the private sector, the social economy satisfied both the left and the right. This article emphasizes the skills required to engineer such a coalition.

The argument also provides a particularly remarkable example of what concertation could achieve in Québec in the mid-1990s. Québec’s social economy turn was not preordained. In March of 1996, no one could have predicted the social economy policies to be announced only six months later. The 1996 summit, moreover, demonstrates the significance of recognizing community groups as social partners. It is by enlisting community groups’ policy intelligence, and by giving one of their representatives the responsibility for a task force, that the summit was able to innovate in the area of the social economy (Neamtan, 1998).

Further research is required to determine whether this explanation of Québec’s social economy turn also applies to Québec’s sectoral social economy policies, such as in the areas of childcare or home assistance, and whether it can be generalized to other cases. There can certainly be other routes to social economy policies. In particular, the fact that the social economy concept seems especially popular in the Latin world on both sides of the Atlantic Ocean (Amin, 2009; Chaves & Demoustier, 2013), suggests forces going beyond the power of the left or concertation structures.

NOTES
1. A fourth task force on rural areas was eventually created.
2. The Programme favorisant le financement de l’entrepreneuriat collectif and the Programme de capitalisation des entreprises d’économie sociale.
3. Statistics Canada collected data on union density only until 1995 and on union coverage only since 1997.
4. All but one interview was conducted from June 24 to December 4, 2014; the remaining one was conducted in March of 2015. All but four interviews were conducted face to face. Three were conducted over the phone and one over Skype. Interviews generally lasted between 40 minutes and 2 hours. Nine persons declined or did not reply to the invitation to participate in this study. Interview notes rather than recording were used to improve rapport with respondents. Feedback from some respondents on an earlier version of this article was used to dissipate possible misunderstandings. See Appendix for details.
5. References to the social economy in these platforms are positive or neutral but never negative.

ABBREVIATIONS
ADQ, Action démocratique du Québec
CAQ, Coalition avenir Québec
CQCM, Quebec Council of Cooperation and Mutuality
COCES, Comité d’orientation et de concertation sur l’économie sociale
CSN, Confédération des syndicats nationaux
EXTRA, Expérience de travail

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ABOUT THE AUTHOR / L'AUTEUR

Gabriel Arsenault is an Assistant Professor in political science at the École des Hautes Études Publique of the Université de Moncton, 18 Antonine-Maillet Ave, Moncton, NB E1A 3E9. Email: gabriel.arsenault@umoncton.ca.
APPENDIX A: LIST OF INTERVIEWED RESPONDENTS (IN ALPHABETICAL ORDER)

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Main position</th>
</tr>
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<tbody>
<tr>
<td>Eleni Bakopanos</td>
<td>Member of the Canadian Parliament, Liberal Party of Canada, 1993–2006; responsible for the social economy under Paul Martin’s government</td>
</tr>
<tr>
<td>Claude Béland</td>
<td>President of the Desjardins Movement, 1987–2000</td>
</tr>
<tr>
<td>Diane Bellemare</td>
<td>Director of the Société québécoise de la main-d’œuvre (SQDM) in the mid-1990s</td>
</tr>
<tr>
<td>Lucien Bouchard</td>
<td>Quebec Premier, Parti Québécois, 1996–2001</td>
</tr>
<tr>
<td>Yvon Boudreau</td>
<td>Adjoint Secretary, Secretariat of the Economy and Employment Summit, 1996–1998</td>
</tr>
<tr>
<td>André Bourbeau</td>
<td>Quebec minister responsible for social assistance, Parti libéral du Québec, 1989–1994</td>
</tr>
<tr>
<td>Martin Caillé</td>
<td>Health care minister Jean Rochon’s press secretary, 1996</td>
</tr>
<tr>
<td>Jean Coutu</td>
<td>Founder and president of Groupe Jean Coutu</td>
</tr>
<tr>
<td>Françoise David</td>
<td>FFQ leader, 1994–2001</td>
</tr>
<tr>
<td>Gilles Demers</td>
<td>Staff, Lucien Bouchard’s priorities committee</td>
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<tr>
<td>Ghislain Dufour</td>
<td>Director of the Conseil du patronat du Québec, 1969–1997</td>
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<tr>
<td>Joseph Facal</td>
<td>Member of the National Assembly, Parti Québécois, 1994–2003</td>
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<tr>
<td>Charles Guindon</td>
<td>Staff, Chantier économie sociale</td>
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<tr>
<td>Louise Harel</td>
<td>Employment Minister, Parti Québécois, 1996–1998</td>
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<tr>
<td>Vivian Labrie</td>
<td>Leader of a pro-equality community group, the Carrefour pastoral du monde ouvrier (CAPMO)</td>
</tr>
<tr>
<td>Roger Lanoue</td>
<td>GTES member, Vice-President of Hydro-Québec, 1991–2004</td>
</tr>
<tr>
<td>Robert Laplante</td>
<td>GTES member</td>
</tr>
<tr>
<td>Gérald Larose</td>
<td>CSN leader, 1983–1999</td>
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<tr>
<td>Pauline Marois</td>
<td>Quebec Prime Minister, 2012–2014</td>
</tr>
<tr>
<td>Marie-Hélène Méthé</td>
<td>Staff, Chantier de l’économie sociale</td>
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<tr>
<td>Guy Morneau</td>
<td>Leader of Lucien Bouchard’s Priorities committee, 1996–1998</td>
</tr>
<tr>
<td>Nancy Neamtan</td>
<td>Director of the GTES and the Chantier économie sociale, 1996–2015</td>
</tr>
<tr>
<td>Marie-Josée Ouellet</td>
<td>Public official, Quebec’s Social Economy Office</td>
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<tr>
<td>Lorraine Pagé</td>
<td>CEQ leader, 1988–1999</td>
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<tr>
<td>Pierre Paquette</td>
<td>CSN general secretary (1990–1998); Canadian Member of Parliament, Bloc Québécois, 2000–2011</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
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<tr>
<td>François Saillant</td>
<td>Leader of a pro-equality community group, the Front d'action populaire en réaménagement urbain (FRAPRU), 1978–</td>
</tr>
<tr>
<td>Hubert Thibault</td>
<td>Lucien Bouchard’s chief of staff</td>
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<tr>
<td>Diane Wilhelmy</td>
<td>Director general, Economy and Employment Summit, 1996</td>
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<tr>
<td>Five confidential</td>
<td>respondents</td>
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