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INSTITUTIONALIZATION OF SOCIAL ECONOMY PUBLIC POLICIES AS A STRATEGY  
AGAINST GLOBAL CHALLENGES: EVIDENCE FROM THE SPANISH EXPERIENCE

*INSTITUCIONALIZACIÓN DE LAS POLÍTICAS PÚBLICAS DE ECONOMÍA  
SOCIAL COMO ESTRATEGIA FRENTE A LOS RETOS GLOBALES:  
EVIDENCIA DE LA EXPERIENCIA ESPAÑOLA*

Belén Catalá Estada  
Universitat de València  
belen.catala@uv.es

Teresa Savall Morera  
Universitat de València  
Teresa.savall@uv.es

Rafael Chaves-Ávila  
Universitat de València  
Rafael.chaves@uv.es

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ABSTRACT

This paper explores the process of increasing institutionalization of the social economy, focusing on its critical role in addressing global challenges, especially during crises. Through the theoretical identification of components that characterize the institutionalization of social economy, the study identifies the challenges faced and highlights Spain as a model of effective institutionalization practices in terms of recognition, regulation, institutional support, policies and programs, and participation in representative bodies. Two distinct forms of institutionalization are distinguished: socio-cognitive and political. Spain's leadership is noteworthy for integrating these forms, translating conceptual ideals into tangible policies.

Keywords: Social economy, institutionalization, Spain, case study, public policy.

## RESUMEN

Este artículo explora el proceso de creciente institucionalización de la economía social, centrándose en su papel fundamental a la hora de abordar los retos mundiales, especialmente durante las crisis. Mediante la identificación teórica de componentes que permiten caracterizar la institucionalización de la economía social, el estudio identifica los retos a los que se enfrenta y destaca a España como modelo de prácticas eficaces de institucionalización en términos de reconocimiento, regulación, apoyo institucional, políticas y programas y participación en organismos de representación. Se distinguen dos formas distintas de institucionalización: sociocognitiva y política. El liderazgo de España destaca por integrar y combinar estas formas, traduciendo ideales conceptuales en políticas tangibles.

*Palabras clave:* Economía social, institucionalización, España, caso de estudio, política pública.

*JEL Classification/ Clasificación JEL:* H10, H30, I38.

## 1. INTRODUCTION

In recent times, social economy has gained recognition as a new socio-economic organizational model for its ability to address various global challenges of the 21st century, demonstrating resilient potential in times of crisis and fostering sustainable inclusive prosperity (Chaves-Avila, 2023). While issues like inequalities and environmental problems are not new, phenomena like the Covid-19 crisis have magnified and accentuated them, underscoring the need for collective responses to social problems.

Social economy is grounded on three key ideas: (1) it is a distinguishable socio-economic reality, midway between the public and capitalist private sectors; (2) this socio-economic reality has an explicit commitment to social utility and positive socio-economic impacts at both micro and systemic levels; and (3) as it generates social values, governments should implement social economy policies to promote and develop it. These ideas have characterized major political discourses on social economy, contributing to its institutionalization over the past 20 years (Chaves-Avila, 2023).

Recently, buoyed by the rediscovery of its positive role in global crises, international documents (European Commission, 2021, 2022; ILO, 2022; OECD, 2022; UN, 2023; EU Council, 2023) have endorsed and recognized the functions of social economy. Currently, it is at a peak of institutionalization (Pouzoulet, 2023; Chabanet et al, 2021), acknowledged by academia and the sector as the *momentum* of social economy (Chaves, 2022; UNTFSE, 2022). Undoubtedly, social economy is trending, with international institutions significantly incorporating it into their political agendas, and literature showcasing its ability to confront shocks and contribute to global challenges (Alvarez et al., 2022; Chaves-Avila & Soler, 2023). However, it is pertinent to inquire about the practices characterizing the increasing institutionalization of social economy globally.

Several studies have analysed and compared the regulations and policies of different countries in terms of the social economy (Chaves & Monzón, 2018a; Utting, 2017; Correa, 2022). Likewise, various authors have identified characteristics that explain the institutionalization of the social economy (Bassi & Fabbri, 2020; Bidet & Richez-Batesti, 2022; Calvo et al., 2020; Opincaru, 2021) either in countries, in specific practices or in concepts. However, there is hardly any literature analyzing the existence of elements and practices that allow the institutionalization of the social economy.

This paper aims to fill this gap by examining institutionalization practices within the realm of social economy, addressing the following research questions: (1) What elements exist to assess the institutionalization of the social economy? (2) Which are the mainstreaming practices in terms of institutionalizing social economy? (3) Are there any paradigmatic experiences regarding institutionalization in the social economy?

To achieve this, we theoretically explore the role of social economy and its regulatory function in global challenges, as well as the analytical framework of institutionalization in social economy. Subsequently, after explaining the methodology of the case study conducted, we present the results from the analysis of the institutionalization practices. Finally, we present the discussion and main conclusions.

The novelty of this article lies in examining the institutionalization process of social economy through the identification and compilation in the literature of elements to assess it and the verification based on current practices, contributing empirical evidence of actions that certain countries can take to enhance their awareness of the social economy.

## 2. THEORETICAL FRAMEWORK

### 2.1 THE ROLE OF SOCIAL ECONOMY IN THE FACE OF NEW GLOBAL CHALLENGES.

In recent decades, the world has faced various global crises. According to the analysis of the Professor and Nobel laureate in Economics Paul Krugman, the two primary challenges that humanity must address today are economic inequality and environmental issues (Krugman, 2023). However, they are not the only ones. Linked to economic growth and environmental problems, challenges also arise in the social sphere and the imminent emergence of new pandemic crises (Monzón, 2022). The former is a consequence of the widespread increase in inequalities between regions of emerging countries and the growing poverty gap between different areas of the planet. The latter results from fostering new pandemics directly derived from the consequences of climate change (Carlson et al., 2022; Monzón, 2022). All these global problems have a severe and widespread impact on countries at the macroeconomic level. It is acknowledged that this type of external shock undoubtedly carries a greater impact than strictly economic recessions, highlighting the need to implement new economic paradigms that address them in a multidimensional way.

In this context, social economy emerges to respond to these challenges. First, because it plays a stabilizing role in times of crisis (Bretos & Morandeira, 2016; Garcia-Louzao, 2021). Secondly, due to the strong ties entities maintain with their environment and the community (Catalá & Chaves, 2022). Lastly, because they have already proven to be key agents in the social and economic spheres in other major crises such as COVID-19 (Chaves-Avila & Soler 2023; Enciso-Santocildes et al., 2022).

At the same time, social economy has a great capacity for resilience in emergency situations. Wisner & Adams (2002) point out that crisis management must go through five specific phases: mitigation, preparedness, response, recovery/reconstruction, and development. According to Chaves-Avila & Soler (2023), and considering this emergency management cycle, social economy contributes substantially in each of these phases.

The evidence that social economy generates a network of mutual support and has the capacity to drive collective projects that combine collective goals with social objectives (Julia et al., 2022) has led institutions to place the deployment of public policies to promote social economy at the center of their agendas, enhancing the institutionalization of social economy. These policies are seen as key elements in building post-COVID-19 society and addressing various transitions such as energy, digital, and demographic. The United Nations Inter-Agency Task Force on Social and Solidarity Economy has reflected on the role of social economy in crises and has recognized that it must be a key actor in three spheres: firstly, in promoting access to basic rights, especially for the most vulnerable people. Secondly, in generating innovative solutions at the local level, and thirdly, in contributing to a just transition (UNTFSSSE, 2019). Similarly, the International Labor Organization and the OECD have expressed similar remarks (OECD, 2020; ILO, 2020).

Two main ideas have emerged from these recent crises regarding social economy. On the one hand, the reaffirmation of its ability to face challenges and seize opportunities in a resilient manner, especially when supported by sound public policies that stimulate entrepreneurial activity. On the other hand, and because of the first assumption, the increased attention paid to the social economy by policy makers and other international organizations, which have begun to give it greater institutional recognition.

## 2.2. ANALYTICAL FRAMEWORK OF INSTITUTIONALIZATION OF SOCIAL ECONOMY

In line with the aforementioned and drawn to the effective responsiveness of social economy to global challenges, policymakers worldwide are taking into consideration its functions when articulating their discourse and designing public policies that will shape the agendas in the coming years. This discourse and these policies are the result of the institutionalization, understood as the process by which socio-economic ideas and realities transition from being informal, unstable, and immature to crystallizing into rules, resources, and organizational structures. Although numerous authors have formulated their own definitions around this concept, a homogeneous definition has not been identified.

From academic literature, some authors have contributed to promoting the institutionalization of social economy through the study of international statistics (Bouchard & Chaves, 2022) and the comparison of the state of social economy and its public policies in European Union member states (Chaves & Monzón, 2018a) and in Latin America (Coraggio, 2015; Correa, 2022). The

institutionalization status of social economy has also been compared between specific countries (Bassi & Fabbri, 2020; Bidet & Richez-Batesti, 2022; Calvo et al., 2020, Trasciani et al, 2024), specific practices (Opincaru, 2021) and concepts related to social economy (Chaves & Monzón, 2018b).

Some authors have also analyzed the process of change and implementation of social economy towards a more favorable environment, from a broad perspective of public policies. Utting (2017) notes that there are three main tools to implement such a change: first, the existence of several laws that recognize the social economy and support emerging sectors related to it. In this sense, the author asserts that States that try to create an enabling environment for SSE operate on multiple fronts related to legislation. Second, the existence of government institutions, where *“the trajectory of institutionalization involves the emergence of ministries or agencies that integrate multiple initiatives related to the regulation and promotion of SSE”* (Utting, 2017: 26). Third, the presence of government policies and programs, where they should adopt a holistic perspective that recognizes the concept and the role that the social economy plays in society.

Similarly, Chaves (2010) expresses that to create a favorable environment for the consolidation of the social economy, two types of measures are needed: first, institutional measures that contribute to the recognition of social economy entities as actors capable of operating in the market. And secondly, cognitive measures to improve the visibility and dissemination of the social economy, thus increasing its recognition.

Other authors, such as Laville et al. (2006), identify elements that have contributed to the institutionalization of social enterprises, such as the presence of these entities at the center of public policies (public schemes) or the existence of legal forms that recognize them as distinct. Additional contributors, such as Mendell & Alain (2015), identify the commitment and capacity of the government as an element for the consolidation of the social economy. On the other hand, Astudillo (2020) determines that to generate a process of institutionalization of the social economy, laws and policies must be incorporated in the state, as well as generate legitimacy for the movements belonging to the social economy. Finally, authors such as Correa (2022) identify integration organizations within the private institutional framework. These are representative entities in which the interests of the social economy are strengthened.

From the literature it is possible to identify five components that can be used to assess the degree of institutionalization of the social economy: (1) its awareness and recognition, (2) its legal regulation, (3) government bodies and departments promoting social economy, (4) plans, policies and programs for the development of the social economy, and (5) participation in representative bodies. Table 1 shows the relationship with the main theoretical contributions of each of the elements.

The combination of these elements and the way they are developed provides a glimpse of different strategies in terms of institutionalization processes. According to Utting, there are reformist and transformative strategies. The former is based on relegitimizing institutions and achieving conventional development goals, while the transformative approach *“seeks to enable SSE not only as an instrument of*

TABLE 1: COMPONENTS OF INSTITUTIONALIZATION OF SOCIAL ECONOMY

Components	Contributions
Awareness and recognition	Chaves (2010) Astudillo (2020)
Level of legal regulation	Utting (2017) Laville et al., (2006) Astudillo (2020)
Government bodies and departments promoting social economy.	Utting (2017) Mendell & Alain (2015)
Plans, policies, and programs for the development of social economy	Utting (2017) Chaves (2010) Laville et al., (2006)
Participation in representative bodies	Correa (2022)

Source: Own creation

*crisis management and state restructuring, but as an alternative approach to development”* (Utting, 2017: 25). The latter perspective abandons the idea of focusing only on policy intentions and focuses more on implementation.

Consequently, and in the context of a notable increase in international institutional recognition of the social economy due to its positive role in addressing global challenges and crisis, the question arises as to which are the mainstreaming practices in terms of social economy institutionalization, based on the five elements identified in the literature. Through the exploration of a case study, exemplary practices are identified.

### 3. METHODOLOGY

To develop this multidimensional analysis of assessing practices of social economy institutionalization, it is employed a qualitative methodology, since the object of the research is a complex social phenomenon involving multiple actors and dimensions (Yin, 1994). Specifically, we use the case study technique since it allows focusing on complex aspects of the analyzed reality (Perren & Ram, 2004) and obtaining empirical evidence to enhance the robustness of the findings (Eisenhardt, 1989).

The case under analysis is the Spanish one, chosen after reviewing major international documents on social economy.<sup>1</sup> All these documents provide national-level recommendations for countries to apply their respective norms,

1 The documents consulted were: European Action Plan for Social Economy of December 9, 2021 (European Commission, 2021); the OECD Council Recommendation on Social Economy and Social Innovation of June 10, 2022 (OECD, 2022); the International Labour Organization resolution on Social and Solidarity Economy and Decent Work of June 16, 2022 (ILO, 2022); the Transition Pathway for Proximity and Social Economy Ecosystem of November 14, 2022 (European Commission, 2022); the United Nations Resolution for the Promotion of Social Economy for Sustainable Development of April 18, 2023 (UN, 2023); and the EU Council Recommendation on Developing Social Economy Framework Conditions of November 27, 2023 (EU Council, 2023).

indicating that these best practices should be sought and framed at the state level. Spain has been recognized as a territory where social economy is widely acknowledged, ahead of countries like Belgium, France, Luxembourg, or Portugal (Chaves & Monzón, 2018a:35). It has pioneered legislative efforts with Law 5/2011, March 29; it is one of the leading countries in terms of social economy entities and job creation; and recent actions further solidify its position as a global benchmark in the field of social economy. For these reasons, Spain has been considered as the case study.

To observe the level and practices of institutionalization of social economy in Spain, the five components previously identified in the literature have been used. Building on this analytical framework, a deeper study is conducted on each of the five components to provide empirical evidence regarding best practices in social economy institutionalization. For data collection, documentary analysis has been employed, including the examination of legislation, published reports, websites of various institutions and entities in the social economy sector, professional reports, and databases. The main documents consulted can be found in Appendix I.

#### 4. RESULTS

##### 4.1 INSTITUTIONALIZATION OF THE SOCIAL ECONOMY BASED ON THE SPANISH CASE.

###### *1. Awareness and recognition*

The level of knowledge and recognition of a subject is a key element in the institutionalization processes, as it contributes to credibility and academic and social reputation. In the field of social economy, its level of recognition is not uniform across all countries (Bassi & Fabbri, 2020).

In the case of Spain, the recognition of the concept of social economy, both by public authorities, businesses and federations, and the academic world, is the most advanced in Europe (Chaves & Monzón, 2018a:35). This is because in Spain, social economy is the prevailing concept compared to other emerging ideas such as social enterprise or the third sector, among others (Chaves & Monzón, 2018a:36)

Regarding training and research, Spain enjoys a high level of visibility and recognition. This has become more evident after the reform of the Organic Law 2/2023, of March 22, on the University System, which incorporates various formulations emphasizing the significance and relevance of the social economy. The new law includes social economy in the list of functions that should guide the action of universities and recognizes the important role played by cooperative universities. Social economy training in Spain is present in more than 65% of universities. Notably, the ENUIES network, formed by centers in 21 universities, encompasses around 60% of social economy education in Spain (Díaz, 2023).

In terms of political agenda, closely related to the element of organic institutionalization, the current government of Spain has included prominent



mentions of the social economy in its most recent political programs, with 18 explicit measures in the case of the SUMAR party (Sumar, 2023) and 12 explicit measures in the case of the Spanish Socialist Workers' Party (PSOE, 2023).

Another noteworthy element of global reference recognition in Spain is the strong presence of social economy ecosystems led by Mondragón in the Basque Country (Ruiz & Bretos, 2023) and followed by emerging ones such as the Valencian (Catala et al., 2023; Catala et al, 2024) or the Galician ecosystem (Bastida et al., 2023).

### *2. Level of legal regulation*

Spain has a high level of legal institutionalization of the social economy, as it was the first country worldwide to approve a social economy law in 2011. Additionally, it is the country with the most regional laws on social economy, including Galicia (Law 6/2016, May 4), Aragón (Law 7/2022, December 1), Canarias (Law 3/2022, June 13), La Rioja (Law 9/2022, July 20), and a draft law in Catalonia currently in the public information phase. Almost all other autonomous communities also have regional laws on cooperatives and other entities specific to the social economy, such as associations or foundations.

The national Law 5/2011 is a crucial element in institutionalizing the social economy as it defines the concept, lists its guiding principles, and characterizes the entities that can be part of it. Moreover, the legal norm recognizes the promotion, stimulation, and development of the social economy as a task of general interest and enumerates the main incentives that entities or their members can benefit from.

### *3. Government bodies and departments promoting social economy*

In terms of political organization, the Spanish government sets a paradigmatic precedent by elevating the social economy to ministerial status with the creation of the "Ministry of Labor and Social Economy" in 2020, along with the "State Secretary of Social Economy", further institutionalized by the assumption of the Second Vice Presidency of the Spanish government by the Minister responsible for this portfolio in 2021. This development is shared with countries like France and Luxembourg. In November 2023, this ministry's position was reaffirmed until 2027.

Another notable element has been the establishment of the first "Special Commissioner for the Social Economy". This is an interministerial body, organically linked within the Ministry of Labor and Social Economy, aimed at promoting and coordinating the Strategic Project for Economic Recovery and Transformation (hereinafter PERTE) of the Social Economy and Care, involving thirteen ministries.

Furthermore, it is noteworthy that in Spain, since 1999, there has been the figure of the Council for the Promotion of the Social Economy. This is the main advisory and consultative body in this matter, consisting of representatives from both public and private entities representing the sector.

Finally, at the regional level, almost all autonomous communities include the social economy in their general directorates, to improve the application of public policies at the different levels of government and ensure better coordination with the national government.

#### *4. Plans, policies, and programs for the development of social economy*

One of the key indicators of institutionalization is the presence of public plans, policies, and programs. Spain has a considerable number of them specifically created with the objective of strengthening the social economy, whether through the transposition of European regulations at the national, regional, or local levels.

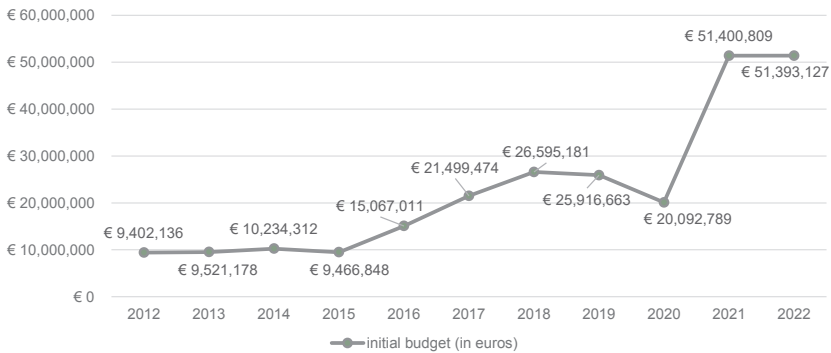
A prominent element has been the Spanish Social Economy Strategy 2023-2027, approved on 11.04.2023 by the Council of Ministers, succeeding the previous strategy framed in the years 2017-2020. The strategy outlines the weaknesses, threats, strengths, and opportunities of the social economy currently, defines its mission, vision, and strategic axes, and is distributed across 18 lines of action. These include topics such as visibility, recognition, and presence in social economy institutions; statistics and measurement of the social economy; internationalization; innovation; strengthening cooperation; entrepreneurship; social economy in green and digital terms; gender equality and inclusion of groups with difficulties accessing employment; generational succession; and contribution to the Sustainable Development Goals (SDGs) (SSES, 2023).

The strategy is aligned with the creation by the Spanish government of the PERTE for the social economy and care. This plan, funded with Next Generation European funds<sup>2</sup>, has three main objectives: (1) to boost and develop the Spanish social economy and its transformative potential; (2) to develop and promote advanced care services, accessible and person-centered; and (3) to create a “Cutting-edge Hub” as a reference in social economy for the transfer and exchange of knowledge with social economy entities. The PERTE was approved by the Council of Ministers on 31.05.2022, it lasts until 2026, and was endowed with 808 million euros at the time of its creation, of which 100 million are earmarked exclusively for the social economy (PERTE, 2022).

At the same time, another sign that reinforces the interest in supporting the social economy is the increase in funding aimed at promotion. This is channeled through traditional policies, aid for improving employment in cooperatives and worker-owned companies, the budget for which has experienced a growing increase in recent years. Figure 1 illustrates this evolution.

2 The next generation funds are a European plan created for the economic and social recovery from the Covid-19 crisis, in which member countries receive certain amounts of money and apply them according to their own discretion. Spain has decided, among other objectives, to dedicate it to the social economy. To broaden information about them, consult [https://next-generation-eu.europa.eu/index\\_en](https://next-generation-eu.europa.eu/index_en)

FIGURE 1: BUDGETARY EVOLUTION OF AID TO SUPPORT EMPLOYMENTS IN COOPERATIVES AND WORKER-OWNED COMPANIES.



Source: Own creation based on Ministry of Labor and Social Economy statistics.

At the regional level, most Autonomous Communities have developed plans for the strengthening of the social economy based on two main premises: alignment with the national strategy and adaptation to the specificities of each region. However, some territories have particularities, such as Cantabria, Galicia, or Catalonia, which do not present explicit regional plans but promote the social economy through other means and structures. Table 2 provides a compilation of regional plans and strategies.

Finally, at the local level, there are some cities that have also promoted individual plans, such as Barcelona (Plan for the Promotion of Social and Solidarity Economy 2021-2023), Madrid (Strategy for Social and Solidarity Economy of the City of Madrid), Zaragoza (Strategy for Promoting Social Economy in the city of Zaragoza 2018-2022) or San Cristóbal de La Laguna (RedESS, Social and Solidarity Economy Plan of La Laguna).

### 5. Participation in representative bodies

In recent years, there has been an evident high degree of Spanish participation in international institutions catalyzing the social economy. Specifically, Spain has led the approval process of the Resolution Promoting the Social and Solidarity Economy for Sustainable Development of the United Nations (UN, 2023) and the Council recommendation on developing social economy framework conditions (EU Council, 2023), both of which have been significant milestones for the social economy. Throughout its history, Spain has been characterized as a promoter of all kinds of declarations in favor of the social economy.

Another manifestation of the Spanish participation is evident through holding the presidency of Social Economy Europe, the leading organization in Europe for social economy, and the secretariat of the European Parliament's

TABLE 2: REGIONAL PLANS FOR THE PROMOTION OF SOCIAL ECONOMY IN SPAIN

Andalucía	Strategic Plan for the Promotion and Modernization of the Social Economy in Andalucía (2023-2026)
Aragón	Aragón Plan to Promote the Social Economy in Aragón (2022-2025)
Asturias	Social Economy Strategic Plan (PEES) (2022-2025)
Cantabria	No explicit plan. Promotion based on programmes.
Castilla y León	Strategic Plan for the Social Economy (in process)
Castilla-La Mancha	Castilla-La Mancha Social Economy Strategic Plan (2022-2025)
Cataluña	No explicit plan. Strategic Plan Barcelona. Work through the Network of Cooperative Athenaeums.
Comunidad Valenciana	Plan for the support and promotion of cooperativism in the Valencia Region (2021-2022) FENT COOPERATIVES
Extremadura	Plan for the Promotion of Social Economy entities in Extremadura
Galicia	No explicit plan. Working through the Eusumo Network.
Islas Baleares	Master Plan for the Social Economy of the Balearic Islands (2018-2022)
Islas Canarias	Canary Islands Social Economy Strategy (in process. Derived from the law.)
La Rioja	Rioja Plan for Boosting the Social and Solidarity Economy (in process. Derived from the law.)
Madrid	No explicit plan exists. Existence of a local plan for the municipality of Madrid
Murcia	V Regional Pact for the Excellence of the Social Economy (2021-2024)
Navarra	II Integral Plan for the Social Economy (2021-2024)
País Vasco (Euskadi)	Interdepartmental Strategic Plan for the Social Economy (2021-2024)

Source: Own creation

Social Economy Intergroup. Additionally, Spain holds the presidency of the Ibero-American Observatory of Employment and Social and Cooperative Economy (OIBESCOOP), which brings together researchers and experts from Latin American countries, Spain, and Portugal. And finally, the leadership of the European Mediterranean Social Economy Network (ESMED), which coordinates the actions of countries from both the northern and southern Mediterranean.

There are also other private entities contributing to the leadership of the social economy by assisting in improving and structuring its entities and voicing key concerns on the subject. The primary institution assuming this role is the Spanish Business Confederation of Social Economy (CEPES), encompassing 32 partners from across Spain, characterized by grouping various social economy entities, highlighting its network nature. Other prominent entities include the Third Sector Platform, which brings together 28,000 entities working in favor of people at risk of social exclusion, poverty, or vulnerability.

In the field of research, the presence of CIRIEC-Spain stands out as the most dynamic national section of CIRIEC International in terms of scientific production and the development of European and international projects, such as Chaves and Monzón (2018a). Similarly, the presence of a strong academic apparatus is relevant for its role in mediating and facilitating dialogue between the sector and the public administration, and for the role that university plays

TABLE 3: INSTITUTIONALIZATION FRAMEWORK OF THE SOCIAL ECONOMY IN SPAIN

Awareness and recognition	<ul style="list-style-type: none"> <li>- Uniform identification of the concept</li> <li>- High degree of training and research.</li> <li>- Inclusion of social economy in the new university law.</li> <li>- Broad presence in the political agendas of the parties in government.</li> <li>- Presence of leading ecosystems.</li> </ul>
Level of legal regulation	<ul style="list-style-type: none"> <li>- First social economy law globally (2011).</li> <li>- Extensive presence of regional laws in social economy: Galicia (2016), Aragon (2022), Canary Islands (2022), and La Rioja (2022).</li> </ul>
Government bodies and departments promoting social economy,	<ul style="list-style-type: none"> <li>- Establishment of the Ministry of Labor and State Secretariat for Social Economy (2020).</li> <li>- Creation of the Special Commissioner for Social Economy (2022).</li> <li>- Existence of the Social Economy Promotion Council.</li> <li>- Existence of General Directorates of Social Economy in nearly all Autonomous Communities.</li> </ul>
Plans, policies and programs	<ul style="list-style-type: none"> <li>- Spanish Social Economy Strategy 2023-2027.</li> <li>- PERTE of Social Economy and Care (2022-2026). 808M€.</li> <li>- Increasing of financial budget promoting social economy.</li> <li>- 13 regional plans for promoting social economy.</li> <li>- Existence of local plans in strategic cities (Madrid, Barcelona)</li> </ul>
Participation in representative bodies	<ul style="list-style-type: none"> <li>- Leading role of the government in promoting international resolutions.</li> <li>- Presidency of Social Economy Europe.</li> <li>- Presidency of OIBESCOOP.</li> <li>- Leadership of CIRIEC-Spain.</li> <li>- Existence of representative organizations (CEPES, Third Sector Platform).</li> <li>- Outstanding presence in international institutions (GECES, UNTFSSSE)</li> </ul>

Source: Own creation

in the institutionalization of the subject in the face of various sensitivities arising from changes in government.

At the European level, Spain holds head positions such as the Executive Director of EMES European Research Network, and there are also Spanish representatives in the expert group of the European Commission on social economy and social enterprises (GECES 2018-2024) and the UN Inter-Agency Task Force on Social and Solidarity Economy. All these manifestations are a demonstration capacity legitimized by the range of measures deployed in other areas.

The combination of these elements' underscores Spain leadership in the institutionalization of the Social Economy on a global scale. Table 3 summarizes the main contributions.

## 5. DISCUSSION AND CONCLUSION

The social economy has emerged as a recognized model for its resilience in times of crisis and for addressing global challenges through social and community-engaged responses (Julia et al, 2022). Government policies, being aware of its positive role, have supported its development, fostering a prolific period of institutionalization of the social economy. Recent international documents in favor of the social economy emphasize improving the institutionalization process. For example, the resolution of the International

Labour Organization calls for “*strengthening the institutional development of SSE entities*” (ILO, 2022), and the Organization of Economic Co-Operation and Development for “*creating supportive institutional frameworks*” (OECD, 2022).

According to the Memorandum of the proposal for a Council recommendation on developing social economy framework conditions (EU Council, 2023) some of the problems and challenges that social economy face are motivated by (1) a lack of clarity around the principles and scope of the social economy, (2) an insufficient recognition of the social economy added value, (3) a lack of consistency of support measures, (4) the fragmentation of legal frameworks, (5) a limited administrative and policy capacity of Member States, (6) a lack of data and statistics on the sector, and (7) a lack of tailored funding for social economy entities. These problems are directly caused by a lack of further institutionalization, which is why it is important to deepen the analysis and highlight practices in institutionalization that serve to alleviate the problems detected. From literature have been identified five components with which to analyze the institutionalization of the social economy.

The case of Spain stands out among countries where the social economy has a significant presence, and it is recognized for being a territory that has promoted initiatives in favor of the social economy, which have proven to be paradigmatic examples of institutionalization practices (Chaves & Monzón, 2018a). In this sense, and in response to the research questions posed, Spain has a high level of recognition of the social economy both at the academic and institutional levels, with a significant presence in the political agenda and a strong presence of social economy ecosystems. Additionally, Spain is a leader in legislative matters and in terms of organic institutionalization, with the creation of various innovative figures in support of the social economy, such as the Special Commissioner. It has numerous plans, strategies, and policies in various government areas, with particular emphasis on the political and economic relevance of the Special Project for the Social Economy and Care (PERTE). Finally, Spain exercises external institutional leadership through its active participation in international institutions and prominent roles in European organizations. These elements reflect Spain's leadership in the promotion, visibility, and recognition of the social economy on a global scale.

From the results, along the lines of Utting's (2017) between reformist and transformative strategies, two types of institutionalizations can be distinguished: socio-cognitive institutionalization and political institutionalization, reflecting the transition process between the narrative phase and the actual implementation phase of social economy public policies.

Socio-cognitive institutionalization refers to the crystallization, both in social imagination and in the scientific and legal realms, of a set of ideas that highlight the virtues of social economy. This type of institutionalization has overcome significant barriers prior to this pre-institutional phase. On one hand, it has managed to consolidate the term “*social economy*” after a trend towards conceptual fragmentation, where different concepts and paradigms competed for that cognitive space. On the other hand, it has brought visibility to the socio-

economic utility potential of social economy, i.e., its functionality and positive impacts. Within this type of institutionalization, the current international resolutions act as *soft law* and represent progress and a preliminary step to the second type of institutionalization.

Political institutionalization or the institutionalization of public policies for the social economy refers to the definition of the scope of public action in the field of social economy – something that has already advanced in the socio-cognitive institutionalization phase. It involves designing the organizational architecture that the policy will have: resources, its own organizational structure, internal spaces within governments that are sectoralized, funding and human resources, the regulatory framework that will govern it (a law, a strategy – multi-year plans, articulated in measures), their durability, and the nature of the forms of action. This type of political institutionalization can entail various degrees of implementation. Therefore, a future step requires verifying the degree of impact that these public policies, programs, laws, or new organizations have on certain variables and the extent to which they contribute to the development of the social economy.

The phenomenon of Spain consolidating this leadership is closely tied to the convergence of these two types of institutionalizations, moving from words to actions, following the guidelines set globally in key international resolutions. The act of engaging in these practices grants legitimacy and a capacity for demonstration and dissemination compared to others, reinforcing the leadership process. This fact is especially notable in a context where most countries are still in an early stage of socio-cognitive institutionalization (Chaves & Monzón, 2018a; Correa, 2022; Utting, 2017). Given the differences in the degrees of institutionalization in various countries, it is relevant to identify these practices for their replicability and scaling in other territories.

In this line, this article is relevant for various reasons. Firstly, because it provides novel evidence of practices in institutionalization when the literature has hardly addressed the issue. Secondly, because it sets a theoretical classification of elements of institutionalization of the social economy. And thirdly, because it establishes examples for other countries that, following the recommendations of international institutions, should begin to promote strategies, policies, and programs to enhance the awareness of the social economy. Considering this, and in the line of formulating policy recommendations, other territories should begin to design the content of social economy public policies and to concretize them in a cross-cutting political action framework that includes many areas of government and different types of financial and human resources.

Despite its relevance, this study has some limitations. The institutionalization practices analyzed have been compared with other countries based on studies that are not entirely up-to-date, or that only analyze some of them, as is the case with Chaves & Monzón (2018a) concerning European countries. Therefore, it is proposed as a future line of research to enhance the comparability of countries through the analysis practices under the dimensions stated in the present article.

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## APPENDIX I: DATA COLLECTION

Source type	Main documents consulted
Legislation	Resolution Promoting the Social and Solidarity Economy for Sustainable Development (UN, 2023) Council recommendation on developing social economy framework conditions (EU council, 2023) Law 5/2011, March 29, on Social Economy Organic Law 2/2023, of March 22, on the University System Law 6/2016, May 4, of the Galician social economy Law 7/2022, December 1, of the Aragon social economy Law 3/2022, June 13, of the Canary Island social economy Law 9/2022, July 20, on social and solidarity economy of La Rioja.
Programs/ Plans	Spanish Social Economy Strategy 2020-2021, 2023-2027. PERTE for the social economy and care in the framework of the Recovery Plan. Social Economy Regional plans (see table 3). Plan for the Promotion of Social and Solidarity Economy 2021-2023 of Barcelona. Strategy for Social and Solidarity Economy of the City of Madrid. Strategy for Promoting Social Economy in the city of Zaragoza 2018-2022. RedESS, Social and Solidarity Economy Plan of La Laguna.
Websites	<a href="https://single-market-economy.ec.europa.eu/sectors/proximity-and-social-economy/social-economy-eu/social-enterprises/expert-groups_en">https://single-market-economy.ec.europa.eu/sectors/proximity-and-social-economy/social-economy-eu/social-enterprises/expert-groups_en</a> <a href="https://unsse.org/">https://unsse.org/</a> UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) <a href="https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-de-economia-social-y-de-los-cuidados">https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-de-economia-social-y-de-los-cuidados</a> <a href="https://prensa.mites.gob.es/WebPrensa/noticias/laboral/detalle/4188">https://prensa.mites.gob.es/WebPrensa/noticias/laboral/detalle/4188</a> <a href="https://www.cepes.es/">https://www.cepes.es/</a> <a href="http://www.plataformatercersector.es/es/default">http://www.plataformatercersector.es/es/default</a> <a href="https://www.socialeconomy.eu.org/">https://www.socialeconomy.eu.org/</a> <a href="https://www.oibescoop.org/">https://www.oibescoop.org/</a> <a href="https://www.cepes.es/internacional/mediterranean/esmed-network&amp;lng=en">https://www.cepes.es/internacional/mediterranean/esmed-network&amp;lng=en</a> <a href="https://ciriec.es/">https://ciriec.es/</a> <a href="https://emes.net/">https://emes.net/</a> <a href="https://movimientosumar.es/wp-content/uploads/2023/07/Un-Programa-para-ti.pdf">https://movimientosumar.es/wp-content/uploads/2023/07/Un-Programa-para-ti.pdf</a> <a href="https://www.psoe.es/media-content/2023/07/PROGRAMA_ELECTORAL-GENERALES-2023.pdf">https://www.psoe.es/media-content/2023/07/PROGRAMA_ELECTORAL-GENERALES-2023.pdf</a>
Databases	Ministry of Labor and Social Economy Statistics. CIRIECSTAT – Statistical Portal of Social Economy

Source: Own creation