

The future of work and technological unemployment. SMart, a cooperative for freelancers.

In the last decades, the world of work has changed tremendously. Many experts (sociologists, economists, ILO...) observe that atypical forms of employment are rapidly increasing, putting pressure on open-ended employment contracts and social protection models. Many parallel evolutions (production management, online platforms...) have led to this, and the changes are still ongoing with the foreseen technological and robotics progress. The so-called shared economy based on digital platforms propose both community driven initiatives and profit-focused companies (such as Uber and Airbnb). All these evolutions create opportunities but also threats.

The Société Mutuelle pour Artistes -SMart- brings together the best of two worlds: the freedom to work autonomously, and a safe frame thanks to a shared enterprise and access to employment contracts (thus social protection). The SMart tools (online platforms) and local services offered by advisors prove to be adapted to the gig-economy's working conditions. Firmly anchored in the social economy, SMart mutualizes economic risks and benefits. Today, 75.000 members in Belgium and in 8 other European countries use the cooperative's services which include: advice, production support and project management, training, co-working spaces, financing, networking, crowdfunding... Active for almost 20 years, SMart is both an active player in the field of employment, and a privileged observer at the heart of labour market evolutions. From our perspective, in the name of social justice, the world of work has to be reinvented. We propose 4 concrete approaches. First, promote a truly collaborative economy rather than a predatory one. Secondly, increase solidarity to encourage large-scale economic and social cooperation (e.g. taking the emblematic example of the goals of the Bigre! project in France). Thirdly, reconcile different forms of work and workers by creating a truly inclusive European-wide social welfare system (REUPS - *Régime européen universel de protection sociale universel*). Finally, defend the right to conduct social experiments at the European level.

Get in touch

Leen Scholiers
Les@smartbe.be
www.smart-eu.org
www.smartbe.be

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Sandrino Graceffa

REINVENTING THE WORLD... OF WORK

An alternative to the
uberisation of the economy



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Sandrino Graceffa

In collaboration with
Roger Burton, Virginie Cordier and Carmelo Virone

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Introduction

For over thirty years sociologists, economists and politicians have been investigating the world of work and its developments. However, there is no universal concept, neither in time nor in space, especially when it comes to salaried employees. In the field, things were going smoothly; however, the world of production (goods and services) is rather straightforward. Pragmatically, it progresses at the speed of a bullet. Then Uber arrived on the scene and was immediately held up as a symbol of new modernity. But isn't it a sort of return to the Fordist division of labour applied to the service industry and commercial relations? Peer-to-peer is undoubtedly the 'finished article' when it comes to the free meeting of wills, which is the basis of all contracts. But this may be a digital mirage shaping all encounters in a unique mercantile and monetised form. Just like in roulette, it does not matter who plays, it is the bank that always wins in the long run.

The Société Mutuelle pour Artistes - SMart - exists and develops in the context of these changes. It is both a stakeholder and a privileged observer. Firmly anchored in the social economy, it sees the worker as the sole creator of social and material wealth. In 1998, back when it was still an ASBL (not-for-profit association) in Belgium, it gave itself the mission of providing professionals working in the arts (creatives and technicians) solutions to help them

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work legally and guarantee greater social protection. At that time, the founders of the association wanted to unburden their members from complex, time-consuming administrative tasks. As the years went by, and thanks to its success, other workers and countries were keen to get on board.

However, in 2014, SMart was experiencing a few growing pains. The new managing director of the group, Sandrino Graceffa, known for his work on the social economy in France, decided to place the issues of work and the enterprise at the heart of SMart's challenges for the coming years: a challenge for the 160 permanent employees of the organisation but also for the 18,000 freelancers and the 75,000 members the association has attracted since its creation who rely on SMart's services.

Influenced by its experience as an association and its initial membership of artists and technicians, SMart did not wait until 2014 to begin its transformation. It gradually opened up to include other workers from the cultural sectors, the creative industries, and finally, all service sectors: jobs on the edge of the tertiary sector, which some call quaternary activities, while also inventing ways of organising work that might lead to a different future i.e. one that is not divided between masters and servants.

But how to do this? Beyond providing its shared administrative services, SMart wishes to assume its role as a major player - in Belgium and at the European level - in terms of the current evolutions i.e. inventing or reinventing the notion of a shared company. To do this, SMart became under the new leadership a shared and participatory enterprise .

The aim was to guide the transformation from an association to a company (a large enterprise: almost 2,500 full-time equivalent

employees with a turnover of 125 million Euros in 2015), and more in particular a European cooperative: SMart Belgium has extended its model, first to France and then to seven other European countries¹. By the time you read these lines, SMart will have become a fully-fledged cooperative. A cooperative shaped by opinions, research and based on the recommendations put forward by the 2,000 participants who took part in a series of debates prior to SMart's transformation.

It is in this context that this book has been written. It is based on interviews between three employees from SMartBe and their new managing director. It is also an opportunity to adjust points of view, as Belgian and French socio-political realities differ in certain respects. It is also a way to share, with the greatest number, the specific vision of work gained from an audience which needed to imagine what work will be in the future. SMart members embody the archetype of this evolution: they accumulate irregular periods of employment, significant mobility, several customers and a multiplicity of trades and activities.

These interviews (in five chapters) discuss issues with regard to employment and work, social security, companies, social contracts and cooperative and mutual approaches as an incubator of a new type of social contract. At the same time, they are embarking on a thirty-year field experiment examining the most burning issues; one illustrated by the recent demonstrations that put work at the centre of citizens' concerns both in Belgium (against the Peeters law) and in France (against the El Khomri law).

The sixth and closing chapter takes a more prospective view.

¹ Austria, Germany, The Netherlands, Hungary, Italy, Spain and Sweden.

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Sandrino Graceffa turns his lantern of experience on the future, which it would seem, illuminates the path already trodden. It deals with the political and legal rights to social and entrepreneurial experimentation, the prospects of having a European-wide social welfare system, economic and solidarity-based cooperation, and the emergence of a sustainable, non-predatory collaborative economy for human and natural resources. All this is seen in a resolutely European perspective, as the challenges have moved from a purely nationwide context to a European one.

From the outset, SMart has embarked on a dynamic of innovation in a booming social laboratory. Laboratories can create the best and worst of things. «The wind is rising», said the poet. So, let's try to sail towards what is best - either with the wind or against it - in a pragmatic way and without compromising our values: the collective consciousness of thousands of workers who practice autonomy daily is our very best compass.

Roger Burton, Virginie Cordier and Carmelo Virone

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During our discussions, you've not only talked about important changes in the «world of work» but you've also come up with solutions for the future. To finish up, i.e. reinventing «work» - could you outline a few practical solutions to bring about change?

Four tracks were enough to get the Beatles off to a flying start, so, the same number should be sufficient for «Reinventing the world of work». So, I will list my ideas as follows;

- One solution consists of promoting a collaborative economy rather than a predatory one.
- the second, encouraging large-scale economic and social cooperation to increase solidarity e.g. taking the emblematic example of the goals of the Bigre! project;
- the third, reconciling different forms of work and workers by creating a REUPS (Régime européen universel de protection sociale universal; a European-wide social welfare system);
- finally defending the right to conduct social experiments at the European level.

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First solution: Promoting a collaborative, non-predatory economy.

It is difficult to give just one definition of the collaborative economy as it covers different - even opposing - realities. Let's look at a few examples: Are Uber and Airbnb part of the collaborative economy? It is important to bear in mind that a significant part of these platforms' business models relies on the financial valuation of the personal data they harvest. Is a local exchange trading system (LETS), which allows neighbours to barter services, considered more a part of the collaborative economy?

Many initiatives, thought by some to be part of the collaborative economy, actually originate from social and solidarity economy movements. Obviously, I am thinking about the first vehicle-sharing initiatives such as AMAP (Associations for the preservation of small scale farming) in France and GASAP (Groupes d'achats solidaires de l'agriculture paysanne – small scale farming solidarity purchase group) in Belgium and the Cigales clubs, which were the forerunners of crowdfunding in mainland France, as well as reciprocal knowledge exchange networks, solidarity food stores, etc., a whole host of initiatives which contributed to a very simple idea i.e. there is more than one type of economy. The economy can be simply summed up as markets and profits generated by income. It can also exist outside the notion of ownership.

Michel Bauwens, a Belgian peer to peer theorist, perfectly describes this new and dominant paradigm, which takes into account the idea of relocating production (notably to fab labs, micro-factories, urban

agriculture, etc.) and the globalization and sharing of information and knowledge i.e. beyond proprietary software (development of open source software, Wikipedia, etc.). According to Michel Bauwens, these two movements (local and global) can contribute to the creation of a post-capitalist society based on the commons. These commons call into question the ownership ideology by favouring new forms of exchanging and sharing goods, services and information².

The analysis of the economy of the commons reveals (as in the case of the solidarity economy) that it refers to an actual hybridisation of resources obtained from exchanging goods, redistribution and reciprocity.

The production models of these commons are far from the division of labour set out in the Fordist model. Some even see the emergence of a post-employee society, although it is still not possible to clearly define the notion of a contributing worker, who is both free but also very often interdependent on his/her peers.

Another facet of this new digital economy copies the Silicon Valley model. What counts in this «new model» is collecting personal data from users visiting digital platforms (social networks, accessing services, online purchases, etc.). The aim is to manipulate consumer behaviour and the use of goods and services, but also e.g. to sell the capacity to influence voting in presidential elections.

The company that best illustrates this predatory economy is undoubtedly Uber. What surprises me is its strategy based on an assumed and uninhibited break with what is considered the ‘old world’: a strong State responsible for enforcing regulations, providing social

² Michel Bauwens in collaboration with Jean Lievens, *Sauver le monde. Vers une économie post-capitaliste avec le peer to peer*, Paris, Les Liens qui libèrent, 2015. Also see the Peer to Peer Foundation’s website: <http://p2pfoundation.net/>

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protection for workers, respecting the rules of competition specific to certain regulated sectors, etc.

But what is truly surprising is how quickly it has developed. Just five years after it was created, it has been valued at 40 billion US dollars³; and its applications can be found in over 310 cities around the world. Uber only requires a small staff (2,200 according to Wikipedia) as the company sees its role only in terms of developing and operating mobile applications that put users in touch with drivers supplying transport services. In this perspective, there is no question of considering Uber drivers as part of the company or, indeed, the company assuming its social responsibility as an employer.

That is until on 16 June 2015, the California Labor Commission ruled that an Uber driver was not a contractor but an employee; in France, URSSAF⁴ filed two suits against the start-up: one heard at the Tribunal des Affaires de Sécurité Sociale (TASS - social security affairs tribunal), and one heard by the Procureur de la République (equivalent to the Public Prosecutor in England). His arguments made sense: Uber drivers are so economically and technologically dependent on the service entirely provided by Uber that it is untenable to consider them outside the concept of subordination that defines the employee relationship. The many suits filed against this company will take several years to conclude and in the meantime, Uber will continue to grow. What also surprises me is the driving force behind Uber's breakaway logic in terms of new exchange and service provision digital platforms. This is also true for many take-away meal delivery platforms, which rely on the power of GPS systems and which also copy Uber's social model.

³ <http://www.journaldunet.com/uber>

⁴ URSSAF: Union de Recouvrement des Cotisations de Sécurité Sociale (Social Security and Family Allowance Contribution Collection Offices), the equivalent of the Office National de la Sécurité Sociale (ONSS; social security office) in Belgium.

Bauwens describes very well how the neo-liberal system is perfectly capable of appropriating the concepts of exchange and sharing, which originated in the commons. In appearance, but in appearance only; it is practical, useful, and respectful of the individual and the environment. In reality, it is a real financial speculation machine, which threatens our social welfare systems.

The importance of raising capital and market valuations for certain platforms could lead to the conclusion that the investors have a dual objective; one speculative, which is obvious, and one political, which is more pernicious. After all, Uber is certainly more effective than certain employers' associations or political parties in terms of increasing (at any social cost) the profits of actors involved in the system - one without a future - but one which employs any means, including hidden ones, to last as long as possible.

The Platform Cooperativism Conference, which was held in November 2015 in New York by Trebor Scholz (an associate professor at the New School in New York) and Nathan Schneider (professor at the University of Colorado in Boulder), could be described as the first step in creating a movement of cooperative platforms⁵.

The aim is to help users to appropriate collaborative economy platforms i.e. away from Silicon Valley investors.

One hundred and fifty years after the first cooperatives were formed in the industrial revolution, we are seeing the birth of 2.0 cooperatives in a peer-to-peer and digital context. In March 2016, the new municipality of Barcelona followed in the footsteps of New York by hosting a Procommons conference, which aimed to instil the notion of common property in peer-to-peer activities. Berlin, Paris, and Brussels among others soon followed suit. As Matthieu

⁵ <http://platformcoop.net/>

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Lietaert says in his book, *Homo cooperans 2.0*⁶ a new reality is arising. While the new giants of the collaborative economy have created transnational monopolies in less than a decade, resistance to this is also spreading equally rapidly, leading to the construction of a parallel non-profit collaborative economy. One of the difficulties - and by no means the least - of developing a collaborative economy based on the principles of sharing and redistributive solidarity is securing investment either to launch projects or when scaling up. Even Wikipedia, which relies solely on unpaid voluntary contributors, needs some funding to maintain a reliable infrastructure and often asks for donations.

Many projects using collaborative platforms need to attain a certain usage volume so that their economic value covers their operating costs as well as the initial investment required to launch the activity in the first place. When a project is launched by a conventional start-up, it is easy to find investors (via risk capital) who bank on the future profitability or even a market valuation. However, when a project is launched by a cooperative organisation, which directly or indirectly shares its value with its users, then mainstream investors are suddenly very hard to find. If we were really interested in developing a non-predatory collaborative economy, we would first have to create specific financial instruments.

The public authorities have every reason to earmark certain lines of funding for these initiatives. Favourable tax conditions could also be created to fund cooperative platforms that contribute to the common good.

Another source of funding exists and originates from the investment capacity of large social economy institutions i.e. cooperative banks and mutual societies. Some of these institutions hold assets far in excess of their requirements to ensure their independence and

⁶ Matthieu Lietaert, *Homo cooperans 2.0. Changeons de cap vers l'économie collaborative*, Bergen, Couleur Livres, 2015.

survival. Many members of these large social economy institutions are asking themselves legitimate questions about the validity of a management that is too oriented on managerial processes and market positioning. A great way for these institutions to modernise their original value systems is by investing heavily in the new collaborative-cooperative economy. Something we look forward to very much.

**Second solution:
Encouraging large-scale economic and social cooperation
to increase solidarity: the goal of the Bigre! project.⁷**

I firmly believe in the cooperative model for reinventing the world of work. However, for this model to truly succeed, I think it is necessary to consolidate and examine different experiences. And this is exactly what we are trying to achieve today with the Bigre! project in France. For a better understanding of the project, it may be useful to read this press release written when the project was first launched back in 2014:

«Bigre! – the name of our organisation – represents a new form of economic and social organisation consisting of:

- A unique community of several thousand members whose aim is to mutually guarantee the ability of carrying out their respective careers and make a living from it;

⁷ www.bigre.coop

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- *A network of businesses in the form of a cooperative (economic, social and self-managed) providing shared spaces and practices reflecting the arts and skills of each individual member;*
- *An open and welcoming consortium of companies in which the functions of management, research, social protection, finance, managing legal statuses of individuals, etc. are shared.*

Inspired by the cooperative business and employment movements, Oxalis, Coopaname, Grands Ensemble and Vecteur Activités are joining SMartFr, the French SCIC (société coopérative d'intérêt collectif – a co-operative society of collective interest) of the SMart-group, which is based in Belgium and has 60,000 performance artists and technicians throughout Europe.

Via a vast network of Bigre! members, the aim is to create a strong political project that restores inter-professional solidarity and cooperation, while refusing to disregard aspirations to work differently. Bigre! welcomes artists as well as gardeners, IT professionals, interpreters, journalists, service providers, freelancers, shepherds, consultants, carpenters, artisans, show production technicians, e-retailers, authors, seasonal workers, etc.

Bigre! will also be open to any new company or organisation wishing to create emancipating forms of working as well as those wishing to contribute to this collective project.

Through cooperation, Coopaname, Oxalis, SMartFr, Vecteur Activités and Grands Ensemble, as well as all the organisations and companies that wish to join, we seek to supplant the alternative i.e. that of a subordinate employee or precarious self-employee.»

Let's look at the origin of this project. While the convergence between SMart and the movement of Coopératives d'Activités et d'Emploi (CAE; NB: in English, activity and employment cooperatives) seems obvious today, this was far from being the case in 2006, and which, for different reasons, I think are worth exploring. Firstly, it is important to bear in mind that SMart was initially

perceived in Belgium as an administrative service provider for artists. However, CAEs were conceived essentially as a new way to support the creation of individual companies via a «large-scale» testing period. They were a source of social innovation and proclaimed it far and wide. SMart was also a social innovator but kept quiet about it. Of course, these two projects have both changed over time as has the collective narrative surrounding them.

My analysis is that the similarity between these projects is based on a sole conviction shared by several people from different organisations who have opted to formalise their partnerships via Bigre! This conviction is that our different structures – for the most part production cooperatives – have a shared goal i.e. to invent a new way of doing business, manufacturing and, above all, working. Obviously, it is possible to reduce the understanding of the role of our cooperatives to the actual services provided to our members. After all, these shared services are so important that they may be sufficient to justify the validity of the organisations that provide them in the first place.

The reality of the transformative ambition of our cooperatives largely exceeds their functional dimensions. Today, we can sum up the Bigre! project in the following way: for over twenty years, the CAE movement and SMart, each working independently, have created a new type of independent worker. This new independent worker not only differs from conventional forms of individual entrepreneurship but also from subordinate employees. However, this new concept remains marginal especially when we compare it to the million people in France who have chosen to work for themselves as an auto-entrepreneur. In my opinion, this self-employed status is the most precarious form of work in the medium and long term. Its popularity, in my view, relies solely on the feeling that it is more profitable in the short term. However, it has garnered intense

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publicity from governments. It is obvious that the proposed alternatives are not well understood especially among the most disadvantaged sections of the population. Our solutions and services should be made as widely available as possible. In this context, member cooperatives working within Bigre ! want to engage in a dialogue that is both easy to understand («we can all become an independent contractor within a cooperative»), and one which is socially responsible («my way of working must not harm our social pact, which is based on redistributive solidarity»).

Within our organisations, individuals choose to work together to share services e.g. administrative, accounting, financial, insurance, legal, IT, etc., and to share risks. Belonging to a single company makes it possible for project leaders to work together to fulfil orders that would be difficult to access as an individual. In a spirit of spontaneity and solidarity, each entrepreneur can become an ambassador of one or many. When we share our experiences of running a community of entrepreneurs, we are unanimous on one point: as soon as the climate of trust in terms of interpersonal relationships has been established, different forms of economic cooperation and mutual aid can emerge - even between individuals doing the same job. It is similar to the feeling of belonging to the same group and gradually removes the spirit of competitiveness, which continues to be lauded as a positive value in the neo-liberal vision of entrepreneurship.

The starting point for the Bigre! project and undoubtedly linked to a simple idea: within our cooperatives, we have all observed the positive impact of sharing our resources but also sharing our knowledge and skills. Why can't these principles, which have become obvious to individuals, not also be applied at the level of companies and organisations? What if we shared our tools, knowledge and practices? And what if we created new solidarity mechanisms for all our members regardless of the cooperative they

belong to? And what if we formed a group strong enough to provide totally digitalised administrative services and local support in all business sectors and all countries? In France, in Belgium, in Europe, and why not in Africa too? In brief, a form of collaborative globalism.

**Third solution:
Reconciling different forms of work and workers by
creating a REUPS (Régime européen universel de
protection sociale universal; a European social welfare
system).**

How different social welfare systems are organised at the European level is difficult to understand being the result of an empirical construction that was never intended to be unified.

The principle of social welfare is not new, in fact, most systems were set up in the aftermath of the Second World War. Although the level of protection differs according to the regime or the country, the areas covered are generally the same i.e. health risks, loss of employment risks, risks linked to ageing, and measures that help families (family allowance, housing benefit, single-parent allowance, etc.). It may be useful to point out that at the higher level of social welfare, offered in certain sectors, is the result of a historic willingness to improve the attractiveness of certain sectors in a context of full employment. The example of railway workers in France, who benefit from a special regime (including retirement at age 55), illustrates this well.

The differences between statuses, even though they originate from

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eminently legitimate social struggles, have become too important with regard to the general and universal nature of covered risks. In fact, the proportion of poorly protected workers continues to grow and calls into question the legitimacy of maintaining higher levels of protection for certain workers. Not to address the need to reform our social welfare system is not only unjust with respect to all workers but also dangerous: for, in the current context, it also means taking the risk of downgrading it. Can we continue to treat differently risks related to illness, unemployment or old age while workers are increasingly forced to change social statuses throughout their working life or even combine several different statuses?

Shouldn't we try to simplify access to the social welfare system by making no distinctions between the two categories of the active population i.e. those who derive the majority of their income from labour, and those who derive the majority of their income from their assets?

This simplification, which boils down to distinguishing only two categories – i.e. workers and people of independent means – would standardise social protection for all workers, employees, executives, artisans, agricultural workers, liberal professions, temporary workers, artists, etc. This measure would take the same direction as several current systems and reforms, which aim to attach rights (social gains) to people rather than jobs. This seems to be going in the right direction insofar as this is a necessary change as hyper-mobility becomes the norm in career paths. The high level of mobility is a factor of insecurity for workers although it does not seem possible to counter it or reverse it. It must be taken into account in order to create a system that integrates this new reality. Similarly, we should be wary of neo-liberals who have appropriated the managerial Newspeak concept of «agility», a buzz word that describes new organisational methods inspired by lean management.

Pierre Gattaz, president of Medef, an employers' organisation, also

promotes the creation of an «agile contract» as an alternative to a permanent employment contract, which is currently being discussed in the context of the El Khomri legislative bill (January 2016). According to Gattaz, this «agile» method should apply to employment contracts themselves, which would be subject to an ultimate form of flexibility. While this method has been effective in start-ups of young engineers in good health and thus not very concerned with their social welfare, in my opinion it does not seem a valid solution for the majority of workers. Moreover, it seems rather provocative to want to transpose a concept that aims at improving the performance of a manufacturing organisation to the very people who make up that organisation.

It is obvious that changes in manufacturing methods, brought about by our globalized economy and the digital revolution, require an adaptation of the control of work i.e. moving towards more flexibility and mobility. Nevertheless, this development will only be possible in the long term, if our social welfare systems are improved, notably by strengthening the rights of the individual.

Today, the process of constructing a European policy is further off than ever due to the rise in nationalistic movements. In this context, the pursuit of a European project solely focused on a neo-liberal vision is doomed to fail. The only credible way forward to achieve a community process is to create a social Europe. The feeling of belonging, which is key to the emergence of a European citizen, can not be solely based on the Erasmus programme. However, the creation of a universal social welfare system for all European workers would sustainably consolidate the foundations of this now weakened institution.

One of the negative consequences of not having a European social status is the lack of mobility of workers within the Union. According to EURES (the European Job Mobility Portal), two to three million

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jobs are not filled in the European Union although the overall rate of unemployment is around 10% (and 25% for young people). The same study shows that 59% of workers who move without first securing a job, found one within the first year (compared to 35% who stayed in their own country).

The European Union offers enormous opportunities for those who are prepared to take the initiative. However, Europeans are extremely static due to very real linguistic, cultural and psychological barriers. The lack of coherence between employment contracts and statuses within the Union reinforces these barriers. It seems to me that introducing a universal European social welfare system would guarantee workers the security that is lacking today.

Fourth solution: The right to social experimentation in Europe

For over ten years, public policies have been focusing on promoting the development of social innovation. The reason for justifying this direction is that there is already an entire arsenal of measures to promote technological innovation but very few in favour of social innovation.

Social innovation is gradually being imposed as the Holy Grail i.e. the solution to all the ills in our overly rigid, overly centralised, and 'old school' organisations. Social innovation receives European funding and is included as a course option in some of the most prestigious business schools. The Institut Godin in Amiens, set up by social and solidarity-based economy stakeholders in the Picardie region, focuses all of its research on social innovation. Looking for

new solutions to address the socio-economic needs of the majority and to improve the well-being of all while safeguarding the public interest, including going beyond the rules and norms established by institutions; this is the simplest definition of social innovation that I can put forward. All forms of innovation must undergo a period of experimentation. It allows us to test the relevancy and effectiveness of a new solution in relation to a given problem. The advantage of social experimentation is also to control the risks inherent in any type of change notably by involving all the stakeholders in monitoring the experiment.

Once again, allow me to take the example of SMart in France to illustrate the benefits of social experimentation. When SMart was launched – bearing in mind that the plan (in France and in Belgium) was to extend its services i.e. outside the artistic sector (journalism, web careers, training, consultancy service, etc.) – we decided to start by developing the live performance sector. This decision was based on the importance of the needs of this sector but also because it is sometimes best to start with what is most complex. This complexity partly resides in the particular nature of temporary employment contracts in the entertainment industry (*contrats d’intermittent du spectacle*) but also in the fact that this profession is regulated in France. Companies regularly producing shows must obtain an entertainment licence (*licence d’entrepreneur de spectacle*) issued by the Prefect, which is based on recommendations put forward by an advisory board formed by the decentralised state administrative authorities reporting to the Ministry of Culture. Two years after SMart was formed, the Prefect for the Paris Region declined to renew our licence. This could have resulted in the total shut-down of the project, placing over a thousand committed artists in great difficulty, and the redundancy of almost twenty permanent employees. Several years of collective hard work risked being annihilated because the authorities were not able to understand our

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project and, in particular, our entirely new organisation method. With the help of two Parisian lawyers, Jérôme Giusti and David Hasday, we were able to put together a strategy in order to continue with our activity; this consisted of transferring the business and thus reversing the authorities' decision.

The main argument put forward by the authorities to justify their refusal was based on suspicions which proved to be unfounded. The authorities' main argument was that SMart was not a «real» producer but was acting as an intermediary between the «real» producer and the artists. The «real» producer, according to the advisory board, being the organiser of the show.

Obviously, we lodged an appeal against this ruling with the administrative tribunal of Paris and after 18 months of legal proceedings, the decision was overturned and we obtained our licence.

The ruling was crucial for SMart in order to remove any doubts in France; notably in terms of the veracity of our role as an employer of artists. But at what cost? I would also like to point out that during the legal proceedings, SMart was subjected to over twenty inspections. It would be too boring to list them all but it was clear that during these two years, everything the French authorities could carry out in terms of inspections and controls, they did at SMart. No offences or irregularities were found and no legal actions were taken. However, for almost two years the entire SMart France team (around twenty-eight people) and its board of directors had to work under pressure and in a state of total uncertainty. Even though we had done nothing wrong, we had to permanently justify ourselves. In hindsight, I think we should have channelled our energy in a more constructive and less antagonistic manner. Had it been possible to create a monitoring and evaluation body for what we could call a «social experiment» that involved (upstream) all the stakeholders legitimately concerned by the creation of SMart in France, we would certainly have had a more positive result in terms of public

interest.

The obvious advantage of creating a specific regulatory framework for social experimentation is to be able to share the knowledge acquired over the course of the process before envisaging the conditions necessary for generalising proven experiments. Moreover, while citizens are becoming increasingly distrustful of institutions, co-constructing spaces involving institutions and innovators would unquestionably better serve the public interest. Once a social innovation is a reality, it is not uncommon to see it take hold outside its country of origin. These spin-offs are often encouraged by a range of European funding programmes. It seems obvious that the regulatory framework for social experimentation should fall within a European framework.

