“Challenges and opportunities for Environmentally-focused Social Economy Enterprises (ESEEs) in the wake of the Celtic Tiger”

Anna Ray Davies, Susan Mullin
Trinity College Dublin, Dublin, Ireland

In 1973 the Irish government, established the National and Social Council to devise a strategy for economic recovery and to achieve social justice. A framework of social partnership including representatives from the third sector was created due to the high levels of poverty, social exclusion and economic stagnation being experienced in Ireland. On reflection, this initiative is now considered to be one of the corner stones in the creation of the “Celtic Tiger”, Ireland’s period of rapid economic growth, which helped lead the country from recession to economic success. However the “Celtic Tiger” did not improve the economic conditions or quality of life for all. This failure to raise all boats on the rising tide of economic prosperity, prompted further evolutionary change as voluntary action in the form of charity gave way to the rise of community empowerment and the social economy, including environmentally-focused social economy enterprises (ESEEs). ESEEs have been characterised as actually existing examples of sustainable development with their focus on the triple bottom line of social, environmental and economic benefits. However as economic conditions once more stagnate under the weight of the global recession new questions are being asked of these organisations in terms of their sustainability; that is the actual level of their contribution towards more sustainable development and also whether they will be able to survive in the more testing economic conditions.

This paper presents findings from the first in-depth investigation into the form, function, governance and impact of ESEEs within the Irish economy. A total of 69 enterprises were surveyed, mapped and categorised with their structure, purpose, practice and outputs analysed. Following the survey ESEEs were classified into seven environmental areas: land management, transport management, energy management, tourism, waste management, biodiversity and education. The mapping using Geographical Information System (GIS) allowed the various characteristics of the organisations uncovered during the survey to be layered and a visual representation of the location and nature of the organisations as a preliminary analytical framework for the data created. Further analysis of the survey results indicate that while these ESEEs may well be spaces of actually existing sustainable development there are tensions regarding appropriate and effective practices of demonstrating their value within communities and amongst stakeholders. This raises questions about practical and conceptual issues of measuring and communicating sustainability. In addition the challenges as well as the opportunities presented by the economic downturn were articulated by the survey respondents. There were concerns regarding the future availability of funding and resources required to meet what could be an increasing demand for services of ESEEs. This fear was particularly stark amongst the 60% of organisations that rely on public support to maintain their activities. Nonetheless respondents also identified some potential opportunities for expansion of their activities as a result of: the greater availability of skilled newly unemployed, an increase in a demand for services, greater attention to issues of efficiency and more sustainable production and greater sense of community built by common experience of financial constraint. Indeed only 21% of respondents took a negative view of the prospects that have presented by the demise of the “Celtic Tiger”.

To conclude the paper suggests that the development of more appropriate mechanisms to promote the contribution of ESEEs to more sustainable development are essential given the pressure on public finances on which many of these organisations rely. The demonstration of value and the communication of contributions being made to social, environmental and economic well-being will be a key factors in both demonstrating contributions to sustainable development and ensuring that the ESEEs themselves are sustained as viable organisations.