

Social Capital Conference

Conference: Social Capital Markets, Amsterdam

Panel Topic: The role of government in catalyzing social investment

Panel Description: Join key players who are looking at the role of a social economy fund for the support of social entrepreneurship in Greece. The panel will discuss financial tools and incentives for social innovation at large and best practices from other countries to bring to the Greek State.

Moderator & Panelists:

MODERATOR

Paul Cheng, Venturesome

PANELISTS

Louka Katseli, Greek Minister for Labour and Social Security

Felix Oldenburg, Ashoka Europe

George Kolyvas, Vice-President of the Hellenic Entrepreneurship and Development Fund

Simon Tucker, Young Foundation

Design, Methodology, Approach: Reports and expert opinions from panelists

Main Panel Discussion Points:

According to Katseli, Greece's social sector is "vague and undefined," with only a few organizations that deal with people with disabilities being "formally recognized," aside from cooperatives. A new law that makes it easier to set up and run 'social economy enterprises' is part of a larger roadmap that includes efforts in education, networking, capacity building, regional expansion and microfinance institutions (for social enterprises).

Oldenburg saw Greece's current efforts as a way to find/encourage the next wave of 'changemakers' and suggested that the role that government plays, fostering growth and employment – traditionally via SMEs – could be adapted to foster social enterprises, including using government's purchasing power via procurement.

Kolyvas recognized that Greece had little experience in social finance but wanted to 'learn by doing,' coupling that with efforts to change the current context – debt and crisis – that include focus on innovation & sectors where the country has competitive advantage (specialized food, tourism, renewable energy).

Tucker noted that "governments tend to overestimate the impact they can have in the short term and underestimate the impact they can have on the long term." If the vision was to end up with "a vibrant social economy with a large number of social ventures, and social entrepreneurs able to compete with each other – and business – in an effective way that allows them the surplus to

invest in growth and innovate,” there is the need for an ecosystem that includes a host of independent intermediaries – especially financial, but also management consultants, etc. For that, the government should build on what exists, not create new (and potentially politically entangled or motivated) ones.

Outcomes & Analysis:

Greece’s innovative “Hellenic Entrepreneurship and Development Fund”, was the focus of the panel. The discussion included a context of the current situation of the social sector in Greece, the main changes proposed by policy that has just been enacted and suggestions from international experts on social innovation and social entrepreneurship.

The best suggestions came when the floor was opened to questions from the audience and when panelists provided their final comments:

James Perry (from the audience) asked, “Taxation is replenished every year. Does it have a role in the capital structure?” Louka replied “tax exemption is less important, most important is to facilitate finance at the start-up period”.

Oldenburg: “Don’t over-think it, social entrepreneurs are creative, you’ll not be able to design the perfect roadmap.” “Most social entrepreneurs have an experience in launching things between 12-20 of age. If you want the next generation to be a generation of entrepreneurs, go to school and give them experiences.”

Tucker: “Governments can take the biggest risk because they have the most to gain (social returns and savings), it has a natural first investor role.” “The roadmap incorporates a change in school curriculum to include “enterprising behavior”, for soft skills are key for future (more than IQ).”

Cheng: There are pools of tax break money (at foundations) that could be leveraged as well.

We are left to see which actions and suggestions are implemented by the Greek government.

Keywords: Greece, “Hellenic Entrepreneurship and Development Fund”, Entrepreneurship, social entrepreneurship, social innovation, social economy, Venturesome, Bridge Ventures, Young Foundation, Ashoka, Paul Cheng, Louka Katseli, Felix Oldenburg, George Kolyvas

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