# SOCIAL ENTERPRISE IN CAMBODIA: OVERVIEW, DEBATE, RESILIENCE.

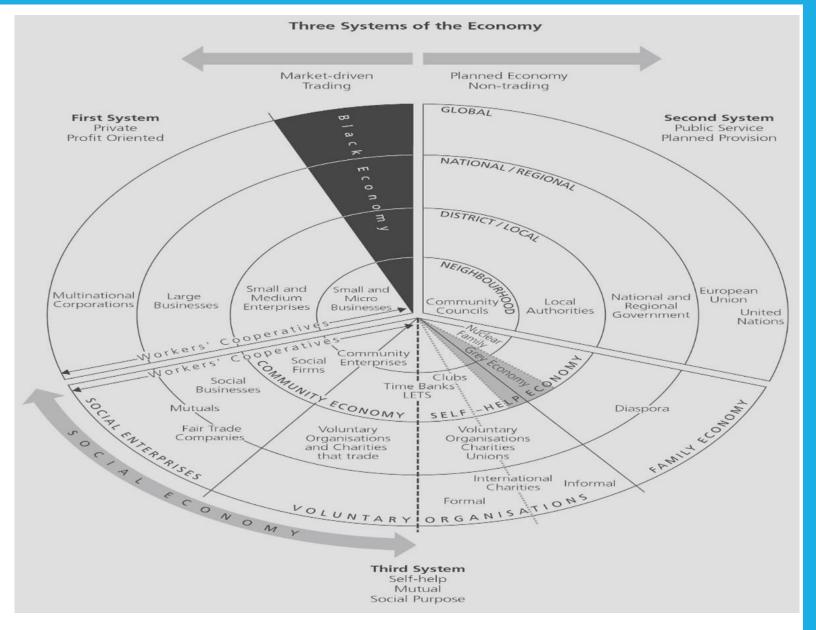
DR ISAAC LYNE
10 AUGUST 2021

### What is a social enterprise?

- A social enterprise is a business with clear and deliberate social/environmental goals
- A business that delivers "social value"
  - Benefits accruing to society (including public or social goods, community empowerment, social inclusion) that would not be created anyway without the intervention
- Debates about how social value is created, how (and if) it can be measured (see Ryan & Lyne 2008; Doherty, Haugh & Lyon 2014)

# Part of the social economy?

A 'three systems' approach at different scales (see Pearce, 2009)



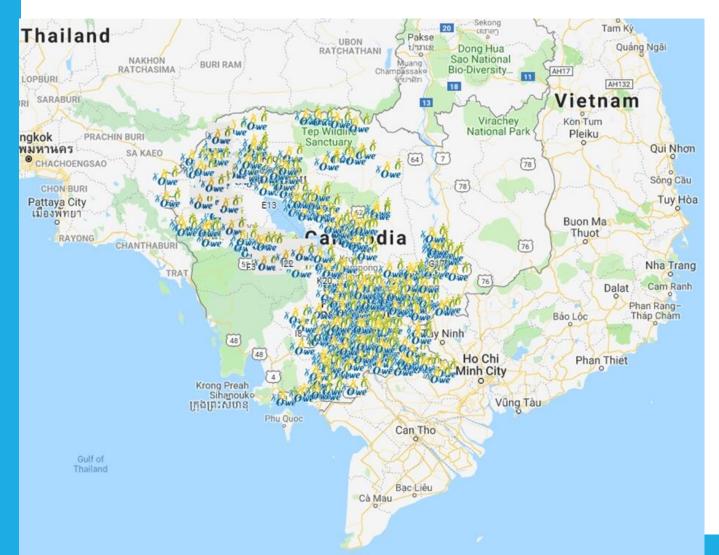
See Pearce (2009: p. 26)

### TYPES of organizations in the "social economy"

For-profit self help Non-profit self help Charitable organizaorganization organization tion Worker Training social enterprise cooperative **Credit Union / Micro** (Friends International. (Sorya Moira Hotel -credit Digital Divide Data, in Siem Reap) (AMK Microcredit, Hagar International) Saving for Change) Charitable housing co-operative **Community Development Enterprises** (Habitat for Teuk Saat 1001, International Develop-Humanity) ment Enterprises (IDE), Geres **Agricultural Co-operatives** Buddhism for Development, Trade association / Aide au Développement Trade NGO (Artisans Gembloux, CEDAC Angkor, Weaves of Cambodia)

Adapted from Molloy et al (1999) cited in Bridge et al (2009: 76)

# Teuk Saat 1001: A 'social business'









http://www.teuksaat1001.com/

### Water treatment technology





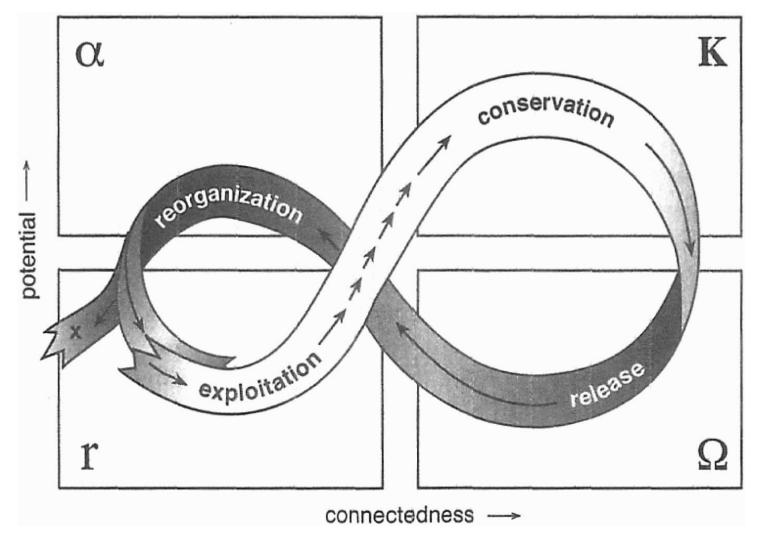
#### Temporality of packaged drinking water: a short-term, mediumterm or permanent solution?

	Viewpoint	Framing / temporal scale
Teuk Saat CEO	"mentalities are nowhere near drinking water from the tap, in the countryside you think people drink water from the tap? No, they keep on boiling it. Ahh, so piped water is not really directly related to health, or safe drinking water, it is more collated to modernity and convenience. Okay, you can have a shower, you can have a modern toilet, you can cook with it, but people don't drink it".	Permanent/long term solution to an acute problem
UNICEF water and sanitation representative	"I think it is not the long-term solution. It is definitely not. In 60 years, people will still drink bottled water () the demand is still there you know [laughs]. But if you look at Phnom Penh () every household, they have a piped water supply in their house".	Transitory measure along the way to becoming a higher-middle-income country
Raul Pacheco Vega (2020)	Packaged (i.e. commodified) water is a slippery slope towards marketisation and privatisation of a vital resource and further erosion of the governments regulatory function that needs to be prevented in order to maintain water as a common good.	Packaged water can only be ethical as a very short term measure, such as in the event of natural disasters

### Teuk Saat 1001: Controversies

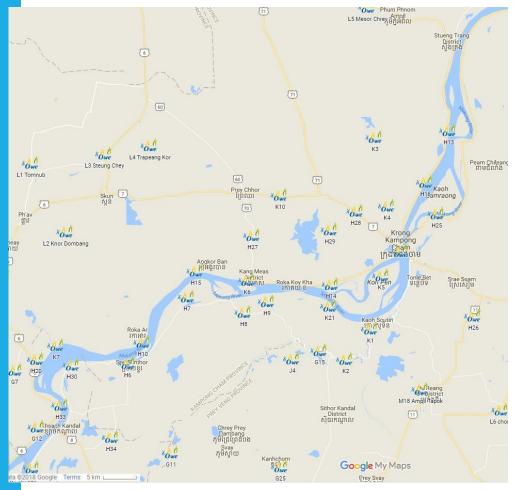
- •The human right to water : how is this human right guaranteed?
- A solution for sustainable development? Or an extractive economic relationship?
- What happens when a business is close to the government? What about advocacy?

### Resilience: Transformations in Human and Natural Systems



See Gunderson & Holling (2002)

## Two *O-we* water refill kiosks, in Kampong Cham Province in eastern Cambodia



Numerous "O-we" kiosks in Kampong Cham Province, Eastern Cambodia









### Entrepreneurial subjectivities

 The TK1 entrepreneur has a stronger entrepreneurial disposition than the TK3 entrepreneur. He welcomes competitors and treats problems as opportunities.

Piped supply arrives at the TK1 kiosk





- Teuk Saat 1001's model fosters ethical deliberation among water entrepreneurs and kiosk staff, by allowing them to deliberate on their own salaries.
- This model heavily depends on the commitment of kiosk workers towards serving their community.
- Both kiosk entrepreneurs embody ethical subjectivities in different ways. Buddhist beliefs and merit making are important to both.
- The TK<sub>3</sub> entrepreneur is more likely to give water away for free, or to give it on credit to the poor without expectation that it will be paid for.

#### Service users perspectives

#### Tier 1 kiosk

- Service users have a strong affinity to the entrepreneur and a strong sense of ownership over the kiosk.
- More than half of those interviewed agree the water entrepreneur is making merit:
  - "I had thought about that (...), it is making merit with water" (Female villager aged 45)
- The kiosk water is widely deemed to be the best the solution, or "last solution" to their drinking water problems.
- But there was no sense of the drinking water being a right per se; payment is claimed to be "a duty among the villagers".

#### Tier 3 kiosk

- Service users had lower affinity to the kiosk, although the water entrepreneur is respected
- Half of those interviewed saw little difference between O-we and other private bottled water companies
- The kiosk was quite widely viewed to be a second rate solution to their drinking water problems, among pessimistic villagers
  - [he] "might get more merit if he makes pipes reach our houses" (male farmer aged 33)

## Observations: protocols (and infrastructures) of commoning

- "To speak of the commons as if it were a natural resource is misleading at best and dangerous at worst" (Linebaugh, 2008: 279).
  - Communities that create the commons and which are sustained while doing this is a critical focus.
- Commoning protocols are being upheld when benefits are being distributed across a community that has an active role in managing and caring for it, and when "commons negotiations" are continually facilitated (Gibson-Graham, Cameron & Healy 2016: 196).
- Shifting focus from water to the kiosk and resource flows involved in this model, is one way to examine some of the commoning protocols.

# Teuk Saat 1001: A positive appraisal (signposts)

- Social enterprises create social value by bringing under used goods into public use: therefore enhancing public goods
- Teuk Saat model promotes 'pro-social' entrepreneurship and subjectivities
- Teak Saat model can strengthen community support, solidarity and caring relationships
- Sustaining the water commons? What is "the commons" a 'thing' or a 'process'
- Markets can deliver social and political value as well as economic value
- See Lyne (2020)

# Diverse economies language: counteracting 'capitalocentric' discourse

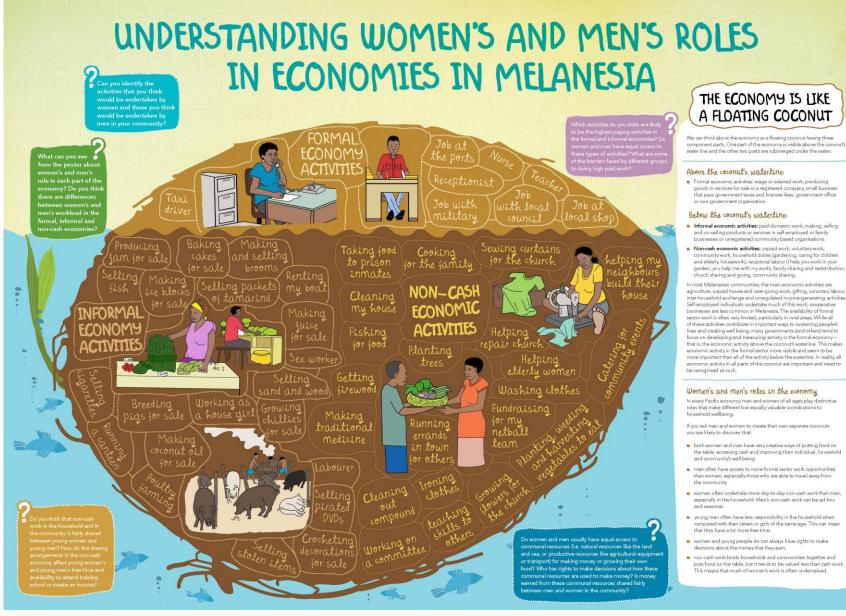
Transaction Conduct	Labour Conduct	Enterprise Conduct
FREE MARKET CAPITALISM	WAGED LABOUR	CAPITALIST ENTERPRISE
ALTERNATIVE MARKET Ethical markets / fair trade Informal markets Bartering	ALTERNATIVE PAID LABOUR Self employed Co-operative Reciprocal Self-provisioning (subsistence) Indentured	ALTERNATIVE CAPITALISM State enterprise Green capitalism Social Firm Non-profit
NON-MARKET TRANSACTIONS Household distribution Gifts State allocations and appropriations Hunting and gathering Poaching and theft	UNPAID LABOUR Housework Family care Volunteering Slave labour	NON-CAPITALIST ENTERPRISE Communal enterprise Feudal systems Slavery

# Diverse economies iceberg



See Gibson-Graham (2006, p.76)

# ... And the diverse economies coconut



https://www.communityeconomies.org/resources/diverse-economies-coconut-melanesia

### What is social about social enterprise?

- Social enterprise is one component of a diverse economy: they are hybrid vehicles that simultaneously mobilise different kinds of transaction, labour and community resources
- Enterprises pay employees & have operating costs (necessities of doing business). What is produced after necessities is "surplus" which a capitalist could call "profit"
- Social enterprises produce "social surplus": i.e. instances where "surplus" is distributed into social spaces, instead of to the people who own the productive resources
- Some ethical coordinates for (sometimes difficult) decisions?
  - What is necessary to personal and social survival? (This can change)
  - How social surplus is appropriated and distributed? (Many claims on surplus)
  - Whether and how social surplus is to be produced and consumed? (Is efficiency best?)

See J.K. Gibson-Graham (2006) 'Community Economy' in 'A Post Capitalist Politics) for deeper theory of ethical coordinates and social surplus

# Consider BSDA Angkor School – Subsidized Language Classes

- Angkor Language School (ALS) teaches English and Chinese each evening, using a local school;
- The school principal firstly gave the school for free; ALS grew with volunteer teachers (including monks).
- Class fees between US\$1.5 and US\$3 per month; free for poor ID status families.
- 600 children and young adults from surrounding villages enrolled, every classroom is used
- Now creates part-time work for 20 teachers;

See Lyne et al (2019) and Lyne & Madden (2020)





#### Consider BSDA Angkor School – Subsidized Language Classes

#### **Angkor school Income 2013**





### A PROTOTYPE COMMUNITY-BASED SOCIAL ENTERPRISE

- Healthy school food
- Employment for BSDA training graduates
- Canteen helps the school
- School provides better education for villagers children
- Village growers sell more vegetables to females who sell in local market
- Market sellers can sell some vegetables more quickly



See Lyne (2017)

#### References

- Doherty, B, Haugh, H & Lyon, F 2014, 'Social Enterprises as Hybrid Organizations: A Review and Research Agenda', International Journal of Management Reviews, vol. 16, no. 4, pp. 417-36.
- Gibson-Graham, JK 2006, A postcapitalist politics, Univ Of Minnesota Press.
- Gibson, K, Cahill, A & McKay, D 2010, 'Rethinking the dynamics of rural transformation: performing different development pathways in a Philippine municipality', Transactions of the Institute of British Geographers, vol. 35, no. 2, pp. 237-55.
- Gunderson, L.H., & Holling, C.S, 2002, Panarchy: understanding transformations in systems of humans and nature. Island Press, Washington DC
- Lyne, I 2020, 'Bottling water differently, and sustaining the water commons? Social innovation through water service franchising in Cambodia.', Water Alternatives, vol. 13, no. 3, pp. 731-51.
- Lyne, I 2017, 'Social enterprise and community development: Theory into practice in two Cambodian villages', PhD thesis, Western Sydney University, Australia.
- Lyne, I & Madden, A 2020, 'Enterprising New Worlds: Social Enterprise and the Value of Repair', in JK Gibson-Graham & K Domborski (eds), Handbook of Diverse Economies, Edward Elgar, Cheltenham, pp. 74-81.
- Lyne, I, Khieng, S & Ngin, C 2015, Social Enterprise in Cambodia: An Overview, ICSEM Working Papers, No. 2015-05, The International Comparative Social Enterprise Models (ICSEM) Project, Liege.
- Lyne, I, Ryu, J, Teh, Y-Y & Morita, T 2019, 'Religious Influences on Social Enterprise in Asia: Observations in Cambodia, Malaysia and South Korea', in B E. & J Defourny (eds), Social Enterprise in Asia Theory, Models and Practice, Routledge, London and New York, pp. 293-313.
- Pacheco-Vega, R 2020, 'Human right to water and bottled water consumption: Governing at the intersection of water justice, rights and ethics', in F Sultana & A Loftus (eds), Water Politics: Governance, Justice and the Right to Water, Routledge, London and New York, pp. 113-28.
- Ryan, PW & Lyne, I 2008, 'Social enterprise and the measurement of social value: methodological issues with the calculation and application of the social return on investment', Education, Knowledge & Economy, vol. 2, no. 3, pp. 223-37.
- Yunus, M & Weber, K 2007, Creating a world without poverty: Social business and the future of capitalism, Public Affairs, New York.