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The CRESSI project explores the economic underpinnings of social innovation with a particular focus on how policy and practice can enhance the lives of the most marginalized and disempowered citizens in society.



CRESSI Working Papers  
No. 2/2015

## **An Extended Social Grid Model for the Study of Marginalization Processes and Social Innovation**

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ISBN: 978-0-9932078-1-5

Chapter 2 of:

**Deliverable D1.1: Report on Institutions, Social Innovation & System Dynamics from the Perspective of the Marginalised**



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Creating Economic Space for Social Innovation

# An Extended Social Grid Model for the Study of Marginalization Processes and Social Innovation

## D1.1 Chapter 2

By Alex Nicholls and Rafael Ziegler

### Introduction

The CRESSI project focuses on one over-arching research objective: to develop a novel theoretical framework better to understand the economic underpinnings of marginalization and social innovation in the European Union<sup>1</sup>. Specifically, this project will inform future EU policy making in two ways: by means of a detailed analysis of how socio-economic structures marginalize vulnerable populations; by means of an exploration of the potential role of social innovation as an institutional change phenomenon to address such structures. An important conceptual component is drawn from the work of Jens Beckert and his Social Grid Model (2010). This research develops an Extended Social Grid Model that allows CRESSI to explore the structural issues that cause and reproduce marginalization. However, it needs to be stressed at the outset that the intention of this model – and the wider framework within which it sits – is to provide a mode of thinking to inform subsequent analysis and policy development rather than to represent a thorough commentary on individual thinkers and their schools of thought. The Social Grid model and the wider CRESSI framework operate, therefore, as theoretical orientations for the project as a whole: as a result, the exposition here is only the first of what are likely to be several iterations as the project develops.

Extending this model, CRESSI suggests that a social grid, at the macro-level or social-environmental level of structures, is enacted via contingent sources of power to affect (positively or negatively) the individual's ability to realize her own capabilities. Finally, the model allows social innovation to be seen as a set of processes and interventions that can disruptively and incrementally alter one or more of the three social forces within a particular social grid, the dynamics across the social forces and, potentially, the power sources that structure it in a given historical context to reduce the marginalization of certain populations. Moreover, this may also include processes that empower the marginalized to become change agents (or institutional entrepreneurs) in terms of the forces and structures that cause their own marginalization.

This paper explores Beckert's model and extends it drawing on two other key sets of theories around power (Michael Mann) and capabilities (Amartya Sen and Martha Nussbaum) that constitute the overall analytic framework for CRESSI and which are discussed in more detail elsewhere in the CRESSI project<sup>2</sup>. Where appropriate we reference ideas from CRESSI working papers so as to point to further discussion as well as some of the inspirations and ideas for this extended social grid models.

### 2.1 Beckert's Social Grid

The CRESSI project aims to build an Extended Social Grid Model of Social Innovation that establishes its distinctive features in contrast to purely technological innovation within market economies. In CRESSI, 'social innovation' represents a phenomenon defined by three elements (see also Nicholls and Murdock, 2011):

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<sup>1</sup> Further details about the CRESSI (Creating Economic Space for Social Innovation) Project are available at: <http://www.sbs.ox.ac.uk/ideas-impact/research-projects/cressi>.

<sup>2</sup> Houghton Budd C., Naastepad R. and van Beers C. (Eds.), *Report on Institutions, Social Innovation & System Dynamics from the Perspective of the Marginalised, CRESSI Project Deliverable D1.1*, Chapter 1. Available at: <http://www.sbs.ox.ac.uk/ideas-impact/cressi/publications-0>

- *Social focus*: an explicit objective to achieve defined social ends
- *Novelty*: changes in social relations, configurations and processes that can have effects at various socio-structural levels
- *Intentionality*: a deliberative process of developing a new idea, model or organization<sup>3</sup>

As a consequence, the definition of social innovation used throughout this project is:

*The development and delivery of new ideas and solutions (products, services, models, markets, processes) at different socio-structural levels that intentionally seek to change power relations and improve human capabilities, as well as the processes via which these solutions are carried out.*

In order best to address the economic dimensions of a socially constructed and interpretive phenomenon such as social innovation, this project will draw upon established scholarship within economic sociology. Such a theoretical approach reflects the historical roots of the foundational research into innovation pioneered by sociologists such as Max Weber and socio-cultural economists such as Joseph Schumpeter. Specifically the project will synthesize three complementary strands of recent research in economic sociology that, together, provide the analytic frame for an in-depth study of social innovation in multiple contexts and from several structural perspectives. The aim is to develop a novel but appropriate set of research lenses well suited to the empirical examination of the key themes in the overall project, including:

- How markets as socio-economic institutions relate to the poor, marginalized and vulnerable
- What are the drivers of, and barriers to, social innovation in various institutional settings market and non-market<sup>4</sup>
- What is the role of public policy instruments in developing finance structures and wider eco-systems to support the development and growth of social innovation
- How can the impact of social innovation be captured and measured at the organizational and national levels

The first stream of work in economic sociology used in CRESSI draws upon Jens Beckert's (2010) work on exchange theory in markets. Beckert noted that common analyses of markets as social structures fail to integrate established approaches that tend to focus exclusively on one explanatory theory alone. This siloed thinking fails to give a full account of the social enactment of economic structures and social exchange relationships and, as a consequence, typically does not acknowledge socio-economic exclusion as a product of market arrangements. Beckert identified three schools of theory in socio-economic analyses of market exchange relationships based upon: social networks; institutions; cognitive frames. Drawing on extensive literatures, Beckert conceptualized each of these key elements as follows:

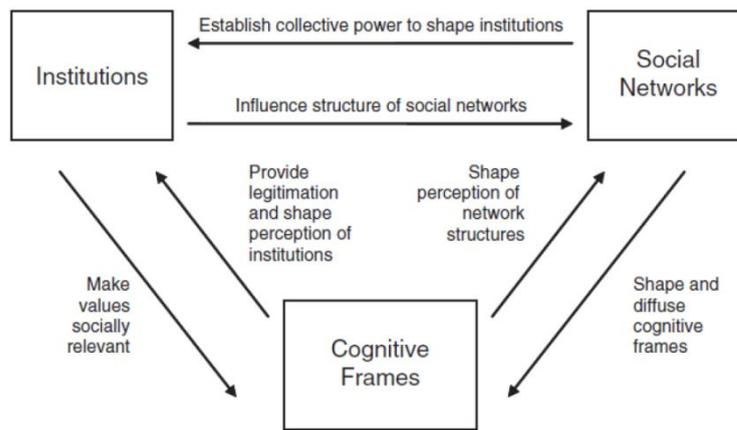
- *Social networks*: the structures of social relations and relational patterns in society
- *Institutions*: the constraining rules and norms of a given society
- *Cognitive frames*: commonly shared meanings and interpretive material by which to make sense of society and its actions

Taken together, these three 'forces' constitute a social grid that, in Beckert's analysis, shapes the formation of market fields. Critically, the three forces are held together by a set of dynamic relationships that are in flux. Thus, a social grid is not static, though it may be self-reinforcing in a particular mode (see Figure 1).

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<sup>3</sup> There is an argument that social innovation also occurs as externalities outside of intention – but this is a distinct category beyond what is studied here.

<sup>4</sup> The market/non-market distinction will be explored in the next section drawing on Mann's power framework.



**Figure 1:** Beckert's Social Grid (Source: Beckert 2010).

In conventional terms, the economic underpinnings of social innovation would be approached via the question of how different actors gain access to the resources needed to innovate in a general context of scarcity. However, economic sociology has stressed the need to analyze innovation in terms of the formal and informal rules and institutional structures governing the access to, and use of scarce resources, as well as the networks within which innovators are located and the cognitive frames that define the nature of innovation in a social context. Beckert's Social Grid framework captures all these dimensions and calibrates their distinctive relationships and interactions. In particular it highlights the dynamic relationships between each of the three elements in a model that allows for continual change and innovation.

The rationale for this choice of framework is its emphasis on explanatory pluralism: approaches based on one explanatory theory typically fail to give a full account of the social enactment of economic structures and social exchange relationships and, by implication, of social innovation as a contested process. Following Beckert, the working assumption here is that there is an analytic value in an analysis of the relationships between social networks, institutions and cognitive frames first to understand the structures of marginalization and, second, to explore social innovation as a set of interventions across the dynamic relationships of a social grid to change such structures to reduce the marginalization of certain populations. Such an analysis will, therefore, allow the identification of the key dimensions and leverage points within a social grid that may be targeted by social innovation (policy) to best address systems of economic and social marginalization. As Beckert noted,

"I argue that networks, institutions, and cognitive frames are irreducible and that one important source of market dynamics stems from their interrelations. The structures lead to the stratification of fields by positioning actors in more or less powerful positions. At the same time, actors gain resources from their position which they can use to influence institutions, network structures, and cognitive frames. To simultaneously consider all three social forces in market fields and their reciprocal influences allows us to consider their interrelations as sources of field dynamics." (Beckert, 2010, 606)

From this perspective, (economic) agency (or lack of it) in social exchange markets is a product of the social forces and ties that enable and dis-empower key actors within a social grid. The three analytic elements (or 'forces') of the model are closely related in multiple interactions and feedback loops. Following Beckert's model allows CRESSI to conceptualize the economic underpinnings of social innovation as a *response* to a Social Grid that has marginalized certain populations historically. Thus, social innovation here refers to a process change in social relations across these three forces. Although Beckert acknowledges the role of change in his work, this project will build new thinking beyond his original theorizing in terms of socio-economic structures and social innovation, as well in terms of a specific focus on the processes of social exclusion and economic marginalization and how to reverse them through practical and policy interventions. Beyond the

theoretical interest of such a development, we thereby also prepare the grounds for historically and contextually grounded practical recommendations regarding social innovation policy across the EU.

However, the CRESSI project also extends Beckert's framework in two significant ways. First, this research applies Beckert's Social Grid Model to contexts outside of the market. Second, CRESSI connects a macro-level social grid analysis to a micro-level based on a model of the conversion factors of individual capabilities (see further below).

It is acknowledged here that applying Beckert's Social Grid Model to non-market settings goes beyond Beckert's original intention. However, it is justified here for two reasons one theoretical, one empirical. First, Beckert himself acknowledges that his Social Grid is based upon principles drawn from general field theory more generally – and that these foundations are not specific to market contexts:

“Such a more comprehensive understanding needs to be based on a general framework that can encompass the notions of networks, institutions, and cognitions. I suggest that the notion of fields (DiMaggio and Powell 1991; Bourdieu 2005; Fligstein 2001a: 67ff) makes it possible to bring simultaneous attention to the different types of social structures relevant in markets and at the same time shift the theoretical focus on the relationship between structures and agency processes. Fields are understood here as local social orders or social arenas where ‘actors gather and frame their actions vis-à-vis one another’ (Fligstein 2001b: 108). Based on the field concept I discuss the interrelationships between the three types of structures identified and their role in the change of market fields.” (Beckert, 2010, 606)

So, CRESSI is using Beckert's model in the context of its more general grounding in field theory rather than narrowly exploring market issues alone (though these, of course, will be *sometimes* relevant to the analysis carried out in the project).

Second, it is apparent that, in practice, the structures of marginalization are not only a matter of market factors. They include many non-market variables such as cultural effects as well as access to non-market goods such as education or healthcare. It is, therefore, important to consider non-market factors within the overall model to provide effective analysis and policy recommendations and it is proposed here that such a use of Beckert's model does not render it invalid. Indeed, the extension of Beckert's model to an analysis of the conversion factors that affect individual capabilities via a power framework plays exactly to Fligstein's definition of a field as:

“A population of actors that constitute a social arena by orienting their actions toward each other.” (Fligstein 2001, 108)

Thus, to put it simply, CRESSI aims to explore the field conditions that structure marginalization in terms of the Social Grid Model.

## 2.2. Social Change and Power Mechanisms

Social change in general, and social innovations more specifically, is only partly a matter of markets and the economy<sup>5</sup>. Rather, specific instances of social change typically involve economic forces along with political, cultural, environmental forces without one of these forces being reducible to the other. Therefore – and this is in line with the rejection of reductionism that inspires the Social Grid model – we need to endorse explanatory pluralism.

Drawing on a multi-volume study of world history, Michal Mann has specifically argued for four

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<sup>5</sup> To put it differently, we here assume that economic determinism – as for example attributed to orthodox Marxism – cannot adequately explain social change processes.

irreducible social sources of power: economic, ideology, political and military (Mann 1986, 22). In his approach, power is understood as the ability to pursue and attain goals through mastery of one's environment. Power is social when it is exercised over other people: it is "the capacity to get others to do things that otherwise they would not do" (Mann 2013, 1). Such power has two intertwined aspects: its distributive aspect refers to one party's power over another and its collective aspect lies in the ability of all parties involved to enhance joint power over third parties or over nature. Both types of power have increased considerably throughout history and particularly during the past two or three hundred years. For a more detailed study of the development of the increase of human power resources, Mann designed a theoretical model identified as the IEMP Model exploring four types of power (Mann 2013, 1-2; for discussion see Heiskala 2014; Lodemann 2014).

"Ideological power derives from the human need to find ultimate meaning in life, to share norms and values, and to participate in aesthetic and ritual practices with others . . . economic power derives from the human need to extract, transform, distribute, and consume the produce of nature . . . I define military power as the social organization of concentrated and lethal violence . . . political power is the centralized and territorial regulation of social life." (Mann 2013, 1-2)

Drawing on and developing the theory of social forces of power, we extend the Social Grid model in a way that avoids a market reductionism that cannot do justice to the complex and messy world of social innovation. Concretely, this means that we understand economic power broadly in terms of the transformation, distribution and consumption of the produce of nature. Exchange relations in markets are one especially dynamic part of this power, but they do not exhaust economic power. Mann complements this economic category with a plural account of further social forces. Even if in a specific case one force is especially important, all forces ought to be given consideration.

Moreover with a view to the impact of economic globalization on societies, the natural environment and the planet as a whole, we propose to extend Mann's power sources in two ways. This extension is proposed as a plausible conceptual conjecture that will have to be investigated and discussed with the help of empirical material at a later stage of the CRESSI project.

As Mann notes, with climate change the modernist idea of a "conquest of nature" is put into question, and may even prove self-destructive (Mann 2013, 395). This suggests the addition of *nature* as a further source of power (Heiskala 2014). There are two, not necessarily contradictory ways, in which this addition can be made: First, nature has the capacity to get others to do things that otherwise they would not do – just think of floods and droughts partly caused by global warming. Moreover, this power has distributive consequences: it makes a big difference for human capabilities whether one lives in a cold or hot climate, in an arid or humid region etc. This concept of nature makes the case to include physical force and natural structures as potentialities of power in the power framework. At the same time, natural power so understood is different from the other power dimension in the normative sense that this power cannot be attributed responsibility, and hence potentially change in response to reasons. Second, we can interpret the addition of nature also in terms of a social category. "Being able to live with concern for and in relation to animals, plants, and the world of nature" (Nussbaum 2006, 77) is a central capability. In times of global ecological crisis, it has given rise to global environmental power. Climate change activists seek to reconfigure our relation to nature, for example calling for major reforestation programs worldwide. More generally, all over the world nature conservationists have pushed for national parks, biosphere reserves and other regulations that control, with distributive consequence, the human relation to the natural environment. They have also co-shaped political consumerism and self-governance in terms of life-styles. Transnational NGOs such as Greenpeace – with an estimated membership based of 3 million people worldwide – co-structure this power. Thus, the category of natural power is internally diverse: it includes natural force and structure, as well as environmental power.

Climate change science illustrates the need to consider yet a further source of power. ". . . scientists advice government agencies dealing with the environment and provide an inner channel of concern for politicians . . . Ralph Schröder has argued that in the modern period the enormous growth of the

institutions of science and technology have converted them into another source of social power” (Mann 2013, 363<sup>6</sup>). As science has a practical power impact mainly via technology, we can call this source *artefactual* power that includes “science as an institution but also tools, technologies and other artefacts as well as infrastructures” (Heiskala 2014). And we can note that this source of power also responds to a central human capability: “being able to use the senses, to imagine, think, and reasons . . . informed and cultivated by an adequate education, including, but by no means limited to, literacy and basic mathematical and scientific training” (Nussbaum 2006, 76). In turn – and as in the case of environmental power – it is therefore not surprising to see this source of power evolve across different cultures throughout history.

These substantive additions to the sources of power lead us from the IEMP Model to an extended IEMPAN model that also includes natural and artefactual power. We propose these additions as plausible conjectures that are to be investigated and discussed drawing on empirical work at a later stage of the CRESSI project. Rather than establishing a “solid truth”, these additions express internally complex and contested conjectures to be further refined and possibly rejected in light of empirical and conceptual work.

At any rate, both IEMP and IEMPAN as extensions to the Social Grid have methodological presuppositions and implications:

- 1) Totality and society: The non-reductive source of social power approach rests on the presupposition that “society” is not a unitary or total phenomenon (Mann 1986, 1f). Rather, when we study “society”, we study specific social aspects of history, present or future: the nation state, capitalism, etc.
- 2) The methodological implication for the study of social change is a focus on specific historical patterns or ways of life; for it is here that power ‘congeals’ (i.e. not in three or n-dimensional models of society and its dimensions etc.). For CRESSI, this is the contemporary European nation state and its membership in the EU as a supra-national entity<sup>7</sup>. Social change and social innovation happens through these historical forms, which are neither purely political, nor purely ideological but rather “multiple overlapping and intersecting socio-spatial networks of power” (Mann 1986, 1)
- 3) “Promiscuity” is a further methodological implication that is likely to be fruitful for the study of social change and social innovation (Mann 1986, 17). For example, the administration of a nation state is not purely focused on politics, nor is the administration of a corporation purely focused on business. Rather they are likely to embody a variety of ends and means: political and economic, but also ideological etc. Mann - with a whiff of modernist purism – calls this the “functional promiscuity” of organized power networks (ibid). This introduces on the conceptual level a much-discussed phenomenon of social entrepreneurship and social innovation research: the hybridity of organizations/networks and their functions.

Summing this up, our Extended Social Grid Model draws on the multiple, non-reductive social forces of power – i.e. not only markets – to study changes process in their in itself non-reducible dynamic of institutions, actor networks and cognitive frames<sup>8</sup>. Thus, the conceptual model is both in terms of functional orientation (political, economic, ideological, military, natural and artefactual) and in terms of social forces (actor networks, institutions, and cognitive frames) non-reductionist and pluralist. It needs to be carried out with a view to specific historical contexts, where possibilities congeal in an institutionalized and typically promiscuous way. Due to our focus on the economic underpinnings of social innovation, we will specifically pay attention to the economic aspect of the process.

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<sup>6</sup> Mann has first refused to make this addition but in the light of climate change (science) acknowledged that he “wavers” (Mann 2013, p. 363).

<sup>7</sup> For an early discussion of social innovation in EU nation states and their regions see Hämäläinen and Heiskala 2007.

<sup>8</sup> For a cross-tabulation of IEMP and Beckert see von Jacobi 2014, 15.

## 2.3 The Extended Social Grid Model, Power and Capabilities

There is an idea of human nature at the core of Mann's theory of social power:

“Human evolution has differed from the evolution of other species by the very fact that it has retained its unity. Speciation has not occurred (Mann 1986, 35).

Human beings are:

“restless, purposive, and rational, striving to increase their enjoyment of the good things of life and capable of choosing and pursuing appropriate means for doing so... These human characteristics are the original source of power.” (*ibid.* 4)

However, due to his focus on power Mann has not paid much attention to human ends or to their evaluation. As purposive beings, humans can choose and create means. From these means, new needs may emerge. For the study of power (or as Parson puts it: of generalized means), it is the means that matter: what is effective, what succeeds, and why in a specific context? The primary needs as well as the emergent needs associated with means are on this view of secondary importance. “We leave the area of goals and needs altogether” (Mann 1986, 6).

Yet, if we are interested in the evaluation of process and impact of social change, then we need to uncover anthropology and the ends of human beings. The formation and structure of a social grid is not a neutral process, but, rather, reflects particular power relations and pre-existing social structures. Here the capabilities approach can introduce a normative perspective absent or at best implicit in the economic sociology discussed so far (with a view to Mann see Lodemann 2014)

This project will draw conceptually on the Capabilities Approach (CA) to human development and empowerment pioneered by Amartya Sen and Martha Nussbaum to explore the economic effects of social innovation processes on marginalized populations (Sen 1999, Nussbaum 2006). As the CA already plays an influential role in framing the discussion of growth and human development amongst the poor at local, national, and international levels and in various “domains” and “sectors” (see for example the Human Development Reports), this approach also fits well towards a multi-level, and multi-dimensional (as far as goals are concerned) understanding of marginalization processes and social innovation. As such it will offer a micro-level focus with which to enhance the extended conceptual framework for evaluative purposes of marginalization analysis and impact analysis of social innovation.

Human capabilities are a form of power: the real opportunity to do and to be what one has reason to value<sup>9</sup>. They are a “power to” that in practice depends on distributive and collective power. Capabilities as “doings” and “beings” are heterogeneous functionings such as “participating politically” or “being in good health”. Therefore, CRESSI explores the marginalization with a specific view on capabilities and the conversion factors (internal and external) that promote or hinder human capabilities. Roughly speaking, there are some capabilities and functionings the absence or dysfunctionality of which implies great harm and disadvantage to individuals. An example is insufficient nutrition, a disadvantage that is much more serious than for example the missing opportunity to fly four times a year on vacation. The specification of these disadvantages and the related central capabilities<sup>10</sup> is in practice contested, not least due to the redistributive policy

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<sup>9</sup> The discussion of impact in social innovation is usually anthropocentric. From an ethical perspective, however, questions concerning the scope of the ‘community of impact’ arise: human beings only (anthropocentrism), sentient beings (sentientism), living beings (biocentrism). Conceptually the capabilities approach is open to variations of all these approaches (for a discussion see Ziegler 2014). Moving beyond anthropocentrism is another possible conceptual frontier in the CRESSI project; it complements the extension of power sources to include natural power (see section 3 above).

<sup>10</sup> In the capabilities approach, central capabilities usually refer to those capabilities required for leading a life in dignity and are therefore politically closely associated with human rights (see Lodemann and Ziegler 2014, section 3).

implications for the better off.

Disadvantage in this basic sense is frequently associated with exclusion from political decision-making: the marginalized are not only disadvantaged in terms of income, health and education etc., they are also excluded from the decision-making process. Therefore empowerment in the sense of including and strengthening marginalized voices in decision-making plays an important role in policies and projects that seek to understand what marginalization means for those affected by it and that seek to overcome marginalization.

In CRESSI, we explore the process of marginalization on the level of both internal and external conversion factors, i.e. in terms of both personal traits as well as social and environmental structures. We study marginalization as a “social process through which personal traits are transformed into potential factors of disadvantage” (Chiappero-Martinetti and von Jacobi 2014, 9). Marginalization processes based on one’s biological sex are an example. We study marginalization also with a view to marginalized practices defined as practices that have a claim to the real opportunities required for a life in dignity but that are blocked or reduced due to structural social or environmental reasons in the specific historical context (Ziegler 2014, 14). Last but not least, and important for the economic underpinnings of social innovation, marginalization as disadvantaged due to personal trait or as blocked practice, likely correlates to reduced access to resources, in particular credit. To highlight this point, we can speak of credit-marginalization (Houghton Budd 2014).

This last point takes us back to the Extended Social Grid Model. For the study of social marginalization processes, the model suggests that we pay attention to the social forces that structure in historical context the position of those involved in the process (see figure 2, upper social-environmental level). It also suggests that we pay attention to the cognitive frames, the institutions and the social networks that reproduce and enact the marginalization process on the socio-environmental level. On the evaluative level, we focus on the micro-level of individuals and their ability to convert resources into capabilities in a given social-environmental context (lower part of figure 2). Thus, through the lens of the Capability Approach, the Extended Social Grid Model can be squarely focused on the marginalized within society as both an explanatory framework and a potentially powerful tool to define effective social innovation responses to social and economic exclusion.

The extended grid model (static version)

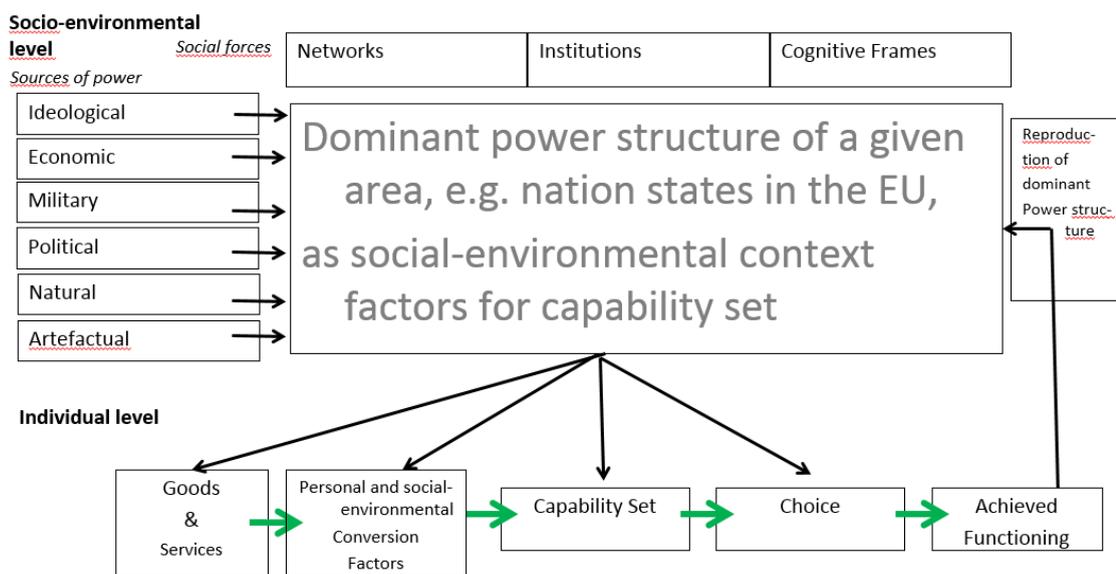


Figure 2: The Extended Social Grid Model (Static version)

## 2.4 Social Innovation in the Extended Model

While the theories on which we have built share a deep interest in the explanation and evaluation of social change, they do not provide a detailed study of innovation processes, let alone *social* innovation processes. CRESSI will provide a conceptual and empirical contribution in that it studies innovators and innovation processes *en detail*.

When understood as a contribution to the study of innovation in social change, the extended model suggests a general typology of six analytical types of social innovation (ideological, economic, military, political, natural and artefactual innovations<sup>11</sup>) to be studied in terms of the dynamics of social networks, cognitive frameworks and institutions. This model shows, among other things, that even if economic power can be understood as an important source of social innovation, there are further sources of social innovation to be studied and, therefore, the economic approach needs to be supplemented and, in some cases, replaced by a broader conceptual paradigm so as to avoid an overly reductive approach for the study of social change.

Social innovations, however, as power processes more generally, can be expected to be “promiscuous” (in the sense introduced above). Therefore, we hypothesize that social innovations are not “purely” economic, political, etc. Rather, they will impact on and involve the social forces in different, interrelated way. Sen approaches this “promiscuity” from a capabilities perspective (1999). He argues that human development depends on the complementarity and mutual strengthening of various societal and individual level objectives. The “purist” argument of economic-growth-first-everything-else-later is conceptually and empirically false, Sen argues, because it ignores the interrelations between various societal objectives and the corresponding human capabilities<sup>12</sup>.

The general social change typology holds in particular with a view to the disruptive, epochal social change that the grand theories of sociology focus on. Here is Mann on evolution again:

“Human evolution has differed from the evolution of other species by the very fact that it has retained its unity. *Speciation has not occurred. When a local population has evolved a particular form of activity, very frequently this has been diffused among virtually the whole of humanity throughout the globe. Fire, clothing, and shelter, together with a more variable collection of social structures have spread . . . this story has been one of cultural evolution*” (Mann 1986, 35, italics added).

Fire, clothing and shelter - these are no doubt basic inventions worthy of diffusion studies. Mann speaks of the sources of social power and the inventions they diffuse as “tracklaying vehicles – for the tracks do not exist before the direction is chosen – laying different gauges of track across the social and historical terrain” (Mann 1986, 28). This is the language of large, societal change. However, a comprehensive model of social innovation will also have to consider the less grand but, in terms of impact, equally important versions of more incremental change. Therefore, CRESSI conceives of social innovation in structural terms but it acknowledges multiple dimensions of action from the incremental to the disruptive (see Table 1).

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<sup>11</sup> See Table 2 in von Jacobi 2014 for a cross-tabulation of powers and types of innovation with examples. Note that for the category natural power there, on the natural force interpretation (in the sense introduced above) there can be no innovations in networks, institutions and cognitive frames as the reference is to natural forces as such. On the environmental power interpretation, however, such innovations are possible.

<sup>12</sup> The implication of this point for the role of social entrepreneurs and social innovation is discussed in Ziegler 2010.

Type of Effect	Objective
<b>Incremental</b>	To fill gaps in the provision of social goods; improve the efficiency of provision
<b>Structural</b>	To rearrange institutions and networks for social goods
<b>Disruptive</b>	To change cognitive frames, social networks and/or institutions

**Table 1:** Typology of Effects of Social Innovation

This typology reminds us that social innovation comes in many forms and has a range of effects<sup>13</sup>. The implications of social innovation will therefore be different across a social grid. Incremental innovation is likely to engage with specific failures in the provision of social goods at the grass-roots level, structural innovation rearrange power relations and social structures, and disruptive innovation replaces entire cognitive frames and institutions thereby reconfiguring the respective social grid.

With respect to Beckert’s Social Grid Model, it is also important to understand how social innovation can play a role in changing – or disrupting – the relationships between the three forces of his Social Grid Model (Scheuerle, Schimpf and Mildenerger 2014). There are six such dynamic relationships in the Social Grid Model (see Table 2). Between institutions and social networks, the former can influence the structure of social networks, whilst the latter can establish collective power to shape institutions. Between institutions and cognitive frames, the former can make values socially relevant for the latter, whilst the latter provides legitimation and can shape the wider perceptions of institutions. Finally, between social networks and cognitive frames, the former can shape and diffuse cognitive frames whilst the latter can shape perceptions of network structures. Of course, as mentioned above, social innovation also occurs *within* the social forces themselves and across the power structures set out by Mann.

<b>Social Force</b>	<b>Dynamic Effect</b>	<b>Social Innovation (Example)</b>
Institutions	Influence the structure of social networks	Build bridging social capital
	Make values socially relevant for cognitive frames	Influence regulatory norms
Social Networks	Establish collective power to shape institutions	Increase political mobilization
	Shape and diffuse cognitive frames	Deepen focused activism
Cognitive Frames	Provide legitimation and shape the wider perceptions of institutions	Build a social movement for change
	Shape perceptions of network structures	Change value perceptions of cultural material

**Table 2:** Social Innovation Dynamics in the Social Grid Model

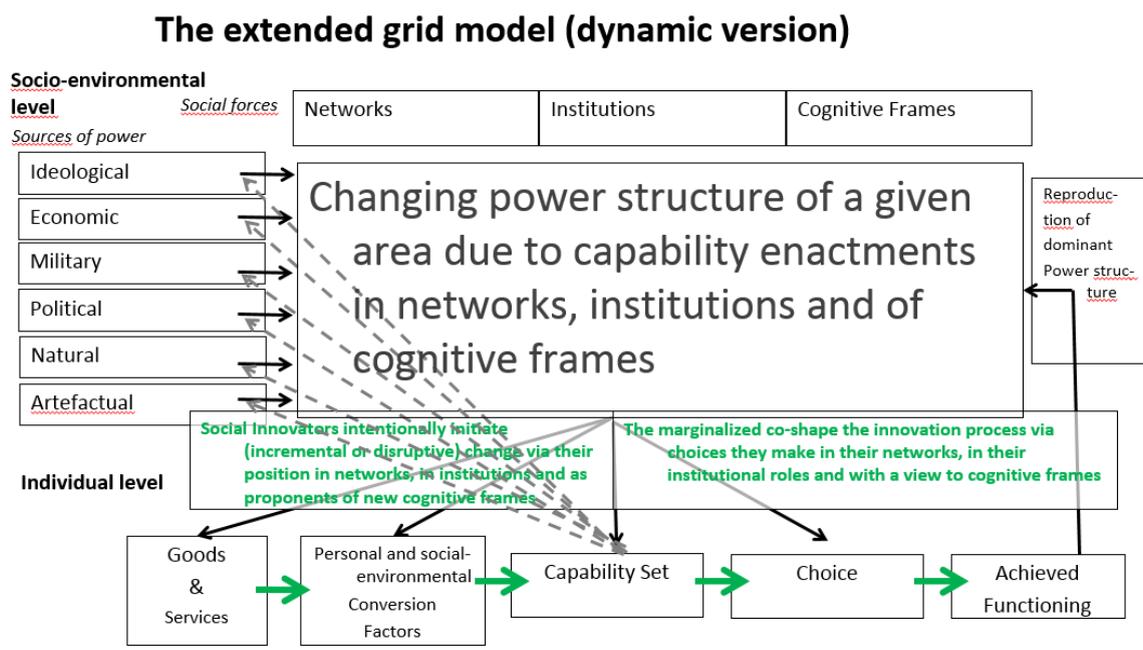
Social innovation discourse has very much focused on innovation not just “for”, but also “with” citizens. In terms of our evaluative focus on human capabilities, this implies that we ought to think

<sup>13</sup> The typology of social innovation will be further discussed in CRESSI Project Work Package 3 (WP3) in relation to the rich tradition of research on technological innovation.

of citizens not just as “patients” that are benefited by the innovator but also “agents”, who co-shape the innovation process. Empowerment therefore plays a crucial role in social innovation; or put in capabilities language: participation plays a central architectonic role as it co-shapes the way capabilities (health, education etc.) are perceived, discussed and enacted. Our extended model makes it possible to track this agency role in a two-fold way:

- 1) To what extent are citizens involved in social innovation processes via their role in social networks, institutions and cognitive frames? (And: is this role changing over time?)
- 2) To what extent should citizens be involved in innovation processes that affect them as a matter of a participatory, democratic ideal?

At this agency-in-innovation-processes point, the individual focus of the capabilities approach – with its account of human agency and its heterogeneous goods – intersects with the social forces of our extended model. Accordingly, Figure 3 adds a dynamic element. The power structure not only influences individual conversion of *patients*; the enactment of capabilities by agents includes a moment of choice and possible change that social innovators – as individuals and groups – draw on to initiating changes in networks, institutions and cognitive frames. In this way, they potentially change ideological, economic, military, political, natural and artefactual power. According to the participatory conjecture to be investigated and evaluated, the marginalized co-shape these innovation processes via the choices they make in networks, institutional role understanding and cognitive frame interpretation (see green boxes in Figure 3). There is thus a close relation between innovators and the marginalized, and sometimes they might even be identical.



**Figure 3:** The Extended Social Grid Model and Social Innovation (dynamic version)

We hypothesize that our model will provide a distinct approach to what is usually called institutional entrepreneurship (DiMaggio 1988; Scheuerle, Schimpf and Mildenerger 2014). This concept captures types of agency in shaping and changing institutional structures, discourses, and networks. Here such agency has two forms: first, in terms of actors that introduce social innovation *for* the marginalized; second, in terms of the marginalized acting as change agents of their own circumstances. In order to understand dynamic change between the social forces in a Social Grid, CRESSI will examine types of institutional entrepreneurship across the dynamic relationships noted in Table 2 to propose concrete policy recommendations to address marginalization. Part of this analysis will also explore the opportunities for (and barriers to) the conversion of the capabilities of the marginalized to act as institutional entrepreneurs themselves on behalf of their communities.

## 2.5 Conclusion

This paper has sketched out the overall theoretical framework established by the CRESSI project for its subsequent work. The focus has been on an Extended Social Grid Model as an analytic and explanatory model of macro-level conditions that are translated via types of power into the conditions that cause marginalization analyzed in terms of human capabilities impact on the individual micro-level. Drawing on the account of social powers, the model avoids the reductionist view of life that reduces all explanation to markets while leaving space to explore the important role of markets and economic productions. Also, drawing on lessons from historical sociology the model expects major social innovations to be functionally promiscuous – they will not be “purely” economic or political etc. Social innovation may be seen as a set of examples of institutional entrepreneurship across the dynamic relationships within the Extended Social Grid Model. Innovation process as such are neither good nor bad but rather contested. As a normative vocabulary of analyzing such contestation, we draw on the capabilities approach to explore the process and impact of innovations with a specific focus on marginalized groups.

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The CRESSI project explores the economic underpinnings of social innovation with a particular focus on how policy and practice can enhance the lives of the most marginalized and disempowered citizens in society.



“Creating Economic Space for Social Innovation” (CRESSI) has received funding from the European Union’s Seventh Framework Programme for research, technological development and demonstration under grant agreement no 613261. CRESSI is a collaboration between eight European institutions led by the University of Oxford and will run from 2014-2018.

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