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Title of abstract: Social embeddedness and resilience in cooperatives: results from two case studies

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Abstract: (max. 300 words)

Polanyi focused on the distinction between economic and non-economic institutions, otherwise called market economy and human economy: human economy is rooted in economic and non-economic institutions, while market economy relies exclusively on self-regulating structures that dictate production and distribution. The former is termed as an *embedded system* and describes situations where economic activities are in tandem with local traditions, norms, and social relations.

Cooperatives are introduced in this article as alternative socio-economic organizations, typically characterized by a strong sense of identity and purpose, democratic traditions in decision-making, localness, and sometimes even co-management practices – properties that conflict with the typically opportunistic capitalist firm. As such, coops present an alternative approach to economic activity that realigns the organization with its community, while ensuring its economic viability and resilience. The coops' embrace of their unique embeddedness is reflected on the seven cooperative principles: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; concern for community. Coops, as socially embedded organizations, can address community needs, while being managed by the community and for the community, and therefore operate with a strong sense of community, place, and purpose. Cooperatives naturally have the capacity to be such embedded organizations and it is this embeddedness that becomes a source of their increased resilience and their positive societal impacts.

The article makes the case on how cooperatives (coops) have the capacity for being embedded, and through this embeddedness they can exhibit increased resilience and help address several societal challenges. We empirically explore coop embeddedness and its effects on societal challenges through two comparable case studies.

Keywords: cooperatives, embeddedness, Polanyi, resilience.