

A social enterprise in Gomorrah-land: a tale of radical cultural entrepreneurship and social innovation management

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Objectives. *Ercolano is a town of about 50, 000 inhabitants, located only a few miles from Naples and world-renowned for its gorgeous views of the Mount Vesuvius and the archaeological site of ancient Herculaneum. Yet until the early 2000s tourists carefully stayed away, preferring near-by Pompei for their Southern Italian archaeological trips. Ercolano's economic and social life was then heavily dominated by local organised crime, which predominantly made its money from drug trafficking, contract killing and protection racket extortions. Whilst several Italian criminal groups have been known for investing in tourism and real-estate, the specific activities of Ercolano's camorra (Neapolitan mafia-type organisation) were best carried out in an atmosphere of isolation, fear and economic under-development.*

Ercolano's clans long fought each other over the control of open-air heroine markets across town, as well as streets and neighbourhoods on which to impose protection racket. Two cartels of criminal families, known as Ascione-Papale and Birra-Iacomino, engaged into four brutal 'mafia wars', leading to over 70 murders between 1990 and 2009. Each criminal alliance controlled, and resided in, a part of Ercolano's historical centre, turned into a no-man's land and split by an imaginary line that no-one involved with either cartel ever dared to cross. The well-to-do people escaped to the relatively gentrified suburbs, and a sub-culture shaped by the Camorra's language and symbols spread well beyond criminal families.

It was in this traumatic field, however, that a rather unconventional social enterprise emerged as a powerful challenger to the dominance of organised crime. Cooperativa Siani's founders were in their early 20ies during the most ruthless phases of the fourth Ercolano's mafia war of the mid-2000s. Exasperated by the escalation of violence and frustrated by the lack of opportunities in their home-town, they were in search of a place to turn into a community centre for the local youth. Somewhat unexpectedly, they were offered by the City Council the use of a flat in the very centre of town, once belonging to a cold-blooded mafia boss. The decision to accept this offer - one that exposed them to the risk of political controversies and, above all, retaliations from Camorra criminals - split the original youth group. The survivors chose to use the confiscated flat in order to start an anti-mafia web-radio, the idea of which came from the discovery that mafia people in and out of prison had long exchanged messages through their own radio, so called Radio Nuova Ercolano. Throughout the years, Cooperativa Siani also started running educational activities for kids from mafia-dominated neighbourhoods, as well as awareness-raising workshops for students from all over the region. In 2014, they were allocated the use of a land confiscated from another criminal family, and gave rise to an agricultural coop producing honey and tomatoes (which now constitutes to founders' main source of revenues). This new project also served the purpose of offering training and work opportunities to local teenagers recently come out of juvenile prisons, many of whom share a migrant background or a history of mental health issues.

This article analyses the activities of this multifaceted social enterprise as an example of radical cultural entrepreneurship work. We use this concept to propose that disruptive innovation, marketing and narrative strategies may be required in an 'extreme' field, as well as when an emerging category of entrepreneurs possesses perhaps moral legitimacy, but still lacks wide-spread legitimation (Vergne and Wry, 2014). In fact, whilst certainly serving appropriate social goals, an anti-mafia social enterprise was unprecedented in Ercolano, and did not conform to the consensual schemata of a large part of the town's population (Hudson and Okhuysen, 2009; Vergne, 2011). It is our main contention that, under these conditions, successful entrepreneurs (and social innovators in particular) will elaborate differentiated cultural entrepreneurship strategies, in order to address the various audiences from which they seek legitimation (or legitimacy) (Vergne, 2012). These theoretical propositions, which we developed inductively, are organised into a dynamic model.

In so doing, our approach builds on, and contributes to, three main areas of research. Not only do we make contributions to the scholarship on cultural entrepreneurship (Lounsbury and Glynn, 2001), expanding our understanding of how this emerges and develops in traumatic or extreme settings, and in the absence of legitimation.

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Our work also relates to the growing literature on strategic categorisation, as it explores the discursive strategies whereby this approach is pursued by entrepreneurs belonging to emerging categories and determined to obtain legitimation from specific audiences (e.g. Khaire and Wadhvani, 2010). Finally, we also integrate insights extrapolated from the scholarship on social innovation, and in particular on social entrepreneurship and community businesses in poor or otherwise problematic areas (e.g. Tracey et al., 2005; Peredo and Chrisman, 2006; Stott et al., forthcoming in 2018; see also Maiolini et al., 2013; or Mancino and Thomas, 2005).

Methodology. *Data collection.* Due to our limited pre-analysis understanding of the legitimation strategies of social entrepreneurs in very extreme contexts, we chose to conduct an in-depth study based on an inductive, grounded theory approach (Glaser and Strauss, 1967; Lincoln and Guba, 1985; Langley and Abdallah, 2011). After having selected a promising case and better defined our research goals, the first author proceeded to collect data from multiple sources, including media and digital documentation, internal documents, and semi-structured interviews complemented with ethnographic observations. To this purpose, she spent five weeks in Ercolano between Spring and Summer 2017. During this period, she conducted a total of 60 semi-structured interviews with 45 participants. During her time on Cooperativa Siani's premises, she was partially a participant and partially an observer, advising the respondents on matters of social innovation and entrepreneurship strategies. The research was conducted openly, and the informants were fully aware of the nature and objectives of the inquiry. While in Ercolano, the first author also gained access to internal and digital materials, including the broadcasting of the cooperative's web radio. Importantly, the second and third author also visited the field and conducted a focus group with the social enterprise's staff during the last week of fieldwork.

Data analysis. Employing the naturalistic inquiry and constant comparison methods, the first author examined her data as she gathered them, aiming to identify the patterns that gradually arose from her inquiry (Glaser and Strauss, 1967; Lincoln & Guba, 1985). Subsequently, we used open coding to isolate preliminary concepts and assemble them into 1st order, informant-based categories (see VanMaanen, 1979; Strauss and Corbin, 1998; Gioia et al, 2012). Secondly, we employed axial coding to establish conceptual relationships between 1st order categories, with the purpose of regrouping similar topoi into higher theoretical dimensions, or 2nd order themes (Strauss and Corbin, 1998; Gioia, 2004). We conducted this process to the point of 'theoretical saturation', reviewing data until we failed to uncover new emerging patterns (see Glaser and Strauss, 1967, on theoretical sampling). Finally, we sought for a deeper, underlying theoretical structure, also bearing in mind the existing scholarly debates in this area (Langley and Abdallah, 2011; Gioia et al., 2012).

Data trustworthiness. We took several steps to ensure the trustworthiness of the data and the soundness of our interpretations. In fact, we engaged in constant triangulation between our multiple sources, conducted member-checking with most of our interviewees, and also made use of peer debriefing.

Findings. Our data tree structure is summarised in Fig. 1. Three of our 2nd order categories (mafia as leading economic operator; obstacles to social innovation; opportunities that paradoxically emerge) help shed light on the concept of 'extreme' field. The following two items (Cooperativa Siani as an emerging category, and the idea that legitimation is needed from different audiences) can be read as the main legitimation and legitimacy challenges faced by the social enterprise we examined. Finally, the last three categories (entrepreneurial identity building, brand management, disruptive marketing strategies) give rise to the proposed concept of radical cultural entrepreneurship. Our dynamic model (Fig. 2) provides a graphic representation of the patterns and relationships that we identified among our variables.

Mafia-dominated areas as an 'extreme' field. The under-world of Southern Italian organised crime has recently attracted much attention in the fields of management and organisational studies (Iorio, 2009; Sciarrone, 2010; Vaccaro, 2012). In particular, management scholars have concerned themselves with the nature of mafia-like groups' economic activities (Conzo and Vona, 2014), as well as with the strategies of anti-mafia activists (Vaccaro and Palazzo, 2015) and with the vicissitudes of a few social cooperatives operating on confiscated mafia properties (Picciotto, 2015). Building on this growing literature, we observe that areas that are heavily dominated by mafia cartels can be defined as an 'extreme' field. To begin with, the last decade has witnessed dramatic changes in the nature and effects of Camorra's main economic activities. Aside traditional criminal activities and their interests in the submerged economy sector (e.g. Bamford, 1984), mafia groups have pervasively infiltrated the legal economy (Di Paola et al, 2015; Spano' et al., 2016). Member of mafia families can be regarded today as innovative criminal entrepreneurs, who use their diversified business portfolio for money-laundering purposes, as well as to expand the capital accumulated through drugs and human trafficking, as well as corruption and extortion (Vona, 2014). Even in a town such as Ercolano, where the local clans' main revenues came from 'traditional' undertakings such as protection racket, drugs and physical violence, criminal actors were able to infiltrate local small businesses, from cafes to local shops and supermarkets.

In order to gain a full picture of our research context, it is important to highlight how this impacted the local population, and more specifically the challenges that this created for social innovators. As has been usefully emphasised elsewhere, social innovation in poor or otherwise 'difficult' places is often prevented by first, by dearth of resources, and second, a generalised lack of trust from key institutional and social actors, as well as a spread feeling of disillusionment at the community level (Stott et al., forthcoming). More specifically, mistrust and a sense of despair and hopelessness can undermine positive cross-sector partnerships aiming to foster economic and social development. Public and private partners may well grow disenchanted, and at times get stigmatised by the very community they are

trying to support (Bryson et al., 2006; Le Ber and Branzei, 2010). This was definitely the case in Ercolano, where unemployment and school dropouts reached unprecedented levels, and institutional and community interventions were regarded at best with diffidence until the early 2000s.

Whilst these observations certainly suffice to qualify Ercolano as an ‘extreme’ field, it is worth illustrating the ways in which a few entrepreneurial and social innovation opportunities may arise in such a peculiar context. In fact, not only did the dramatic rate of local unemployment ensured a locally and readily available workforce. Importantly, the Italian law also establishes the confiscation of any asset deriving from mafia-related crimes, and its subsequent allocation to public, private and third sector organisations with a strong social purpose, Baldascino and Mosca, 2012). In other words, the availability of lands, private and commercial premises to aspiring social innovators created a new window of opportunity from the mid-2000s, and one that Cooperativa Siani’s founders decided to exploit.

Legitimation and legitimacy challenges. However, not all is gold that glitters, especially when it comes to founding a social enterprise, a startup and an anti-mafia coop in a town where very few, if any of these organisations have ever appeared. What clearly emerges from our analysis is that Cooperativa Siani’s founders were dealing with enormous legitimation challenges.

Recent management research has successfully highlighted the crucial differences between legitimacy and legitimation, and the strategic implications of both (Hudson and Okhuysen, 2009; Vergne and Wry, 2013). Crucially, it has been pointed out that organisations may well serve appropriate goals and possess moral and professional legitimacy, but still lack widespread legitimation, namely the crucial backing of central audiences which still conform to different value systems (Hannan et al., 2007). Take, for example, the case of a firm in the renewable energy sector, whose environmental commitment is almost universally appreciated but which seeks legitimation from specific investors and sponsors, or, vice versa, of florid but stigmatised businesses such as those in the arms or porn industries (Vergne, 2012; Durand and Vergne, 2015).

With this in mind, it is easy to understand how Cooperativa Siani had to negotiate its legitimation and legitimacy with very different addressees. On the one hand, as a social enterprise and a startup proposing to support itself through commercial and agricultural activities, the cooperative had to gain legitimation from specific audiences, including consumers (for its agricultural products), and sponsors and business partners (retailers, other actors in the food industry etc.). On the other hand, Cooperativa Siani’s pursuing of undeniably worthy social purposes did not entirely eliminate broad societal legitimacy problems. As members of a declaredly anti-mafia coop and an activist organisation, founders had to pay special attention to keep their person credibility intact and above all suspicion. At the same time, they had a hard time demonstrating that their initiatives were truly socially minded, and to spread their message into those (large) sectors of their town which were still culturally and socially dominated by the local mafia.

Finally, a further layer of complexity came from the fact that Cooperativa Siani was part of an emerging category struggling for legitimation as a whole, at least in that specific context (Durand and Paoletta, 2013; Vergne and Wry, 2014). In other words, by labelling themselves as anti-mafia social entrepreneurs (and by seeking inspiration from and cooperation with homologues from other Southern Italian regions), founders engaged in what has been recently defined as ‘strategic self-categorisation’ (see Negro et al., 2010; Vergne and Wry, 2014). Rather unsurprisingly, the lack of legitimising precedents and success stories at local level made their task even more daunting.

Radical cultural entrepreneurship strategies. We came up with the concept of radical cultural entrepreneurship precisely to make sense of the approaches that Cooperativa Siani’s founders adopted in order to face their legitimation and legitimacy struggles. In fact, when management scholars Lounsbury and Glynn (2001) first introduced the idea of cultural entrepreneurship, they specifically had legitimation struggles in mind. Their point was that entrepreneurs often use storytelling processes to facilitate the crafting of a new venture’s identity, as well as to legitimise it in the eye of relevant stakeholders.

Through our data analysis, we show that in ‘extreme’ fields (such as the one we studied), and vis-à-vis particularly intense legitimation and legitimacy challenges, entrepreneurs will engage in ‘radical’ cultural entrepreneurship strategies. In Cooperativa Siani’s case, these included entrepreneurial identity building, as well as rather disruptive brand management and marketing operations. To start with, the cooperative’s founders fashioned an entrepreneurial discourse based on the idea of locally-grounded innovation. While retaining their anti-mafia and social activism-centred approach, they also started to present themselves as part of, and even spokespeople for, a movement of local innovators, committed not only to fight criminal organisations but also to create economic opportunities for the entire town. In doing so, they also established important connections with a series of local institutions and business owners. In terms of brand-management, their main challenge remained to keep the delicate balance between appearing as the ultimate anti-mafia, activist entrepreneurs, and marketing themselves as reliable and innovative business owners. With this in mind, they implemented a two-faceted branding strategy. Their commitment as ‘mafia fighters’, indeed, was constantly hinted at in the marketing of their products. The face of Giancarlo Siani, Neapolitan journalist murdered by the Camorra after whom the cooperative has been named, was on all honey and tomato sauces jars and labels. The tomatoes produced by the coop were nick-named *pizzini*, dialect for small, pointed objects, but also an infamous term for the messages Sicilian mafia affiliates used to communicate.

However, in order to somewhat prove that anti-mafia cooperatives can also do good business and sell high-quality products, founders made a point to join established Italian networks such as the national Coop movement and Slow Food, and constantly mentioned the connection in their marketing materials. Finally, the startup’s broader communication strategies were (and still are) founded on two main principles. First, beyond more conventional channels such as a website, social networks and participation in local food and agricultural festivals and events,

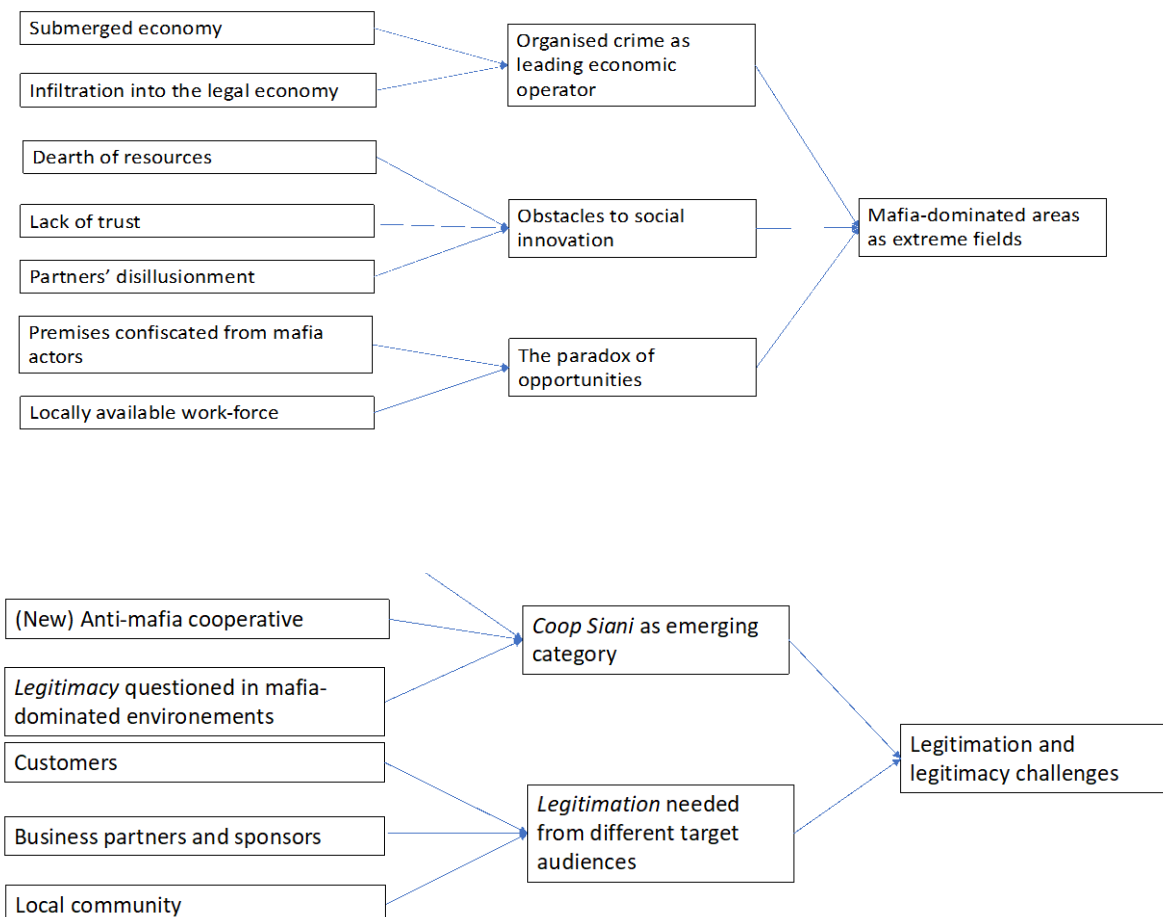
founders decided to make the most of the web-radio they had founded in 2009. While the radio activities do secure some additional stream revenues (advertisement, sponsors), today they are also used to promote the cooperative's agricultural products. Finally, and throughout all the coop's numerous activities, there is a very evident educational marketing component. In fact, what Cooperativa Siani does is to tell a story about their products and the journey and purpose behind those. This is meant not only to educate customers and other stakeholders to a different kind of conscious consumerism, but also to join a broader social innovation programme.

Research limits. This long abstract is, of course, nothing but a first draft of a longer, more complex piece of research. It is also worth mentioning that this paper reflects upon a story that is, at least partially, yet to unfold. Cooperativa Siani has started its agricultural activities four years ago, and while a first analysis of the strategies they crafted to address their legitimation strategies can certainly be attempted, its future is yet uncertain.

Practical implications and originality of the study. However, apart from offering some promising theoretical and empirical insights, this long abstract also aims to set an ambitious research agenda for the future. This entails fostering a dialogue between Italian and international researchers in order to further the study of first, Italian mafia cartels as innovative (and dangerous) criminal enterprises, and second, institutional and entrepreneurial responses to this, starting from the struggles of anti-mafia social enterprises. Importantly, developing a better understanding of the legitimation issues and strategies of anti-mafia coops, both at an individual level and as an emergent category, opens the question of how we can best support their endeavours. Building on this, we believe that our work, and the fruitful collaborations that we hope it will begin, may be of interest not only to management scholars, but to trans-disciplinary academic and practitioners' networks alike.

Key words: social entrepreneurship, social innovation, anti-mafia cooperatives, self-categorisation, legitimation strategies

Fig. 1: DATA TREE



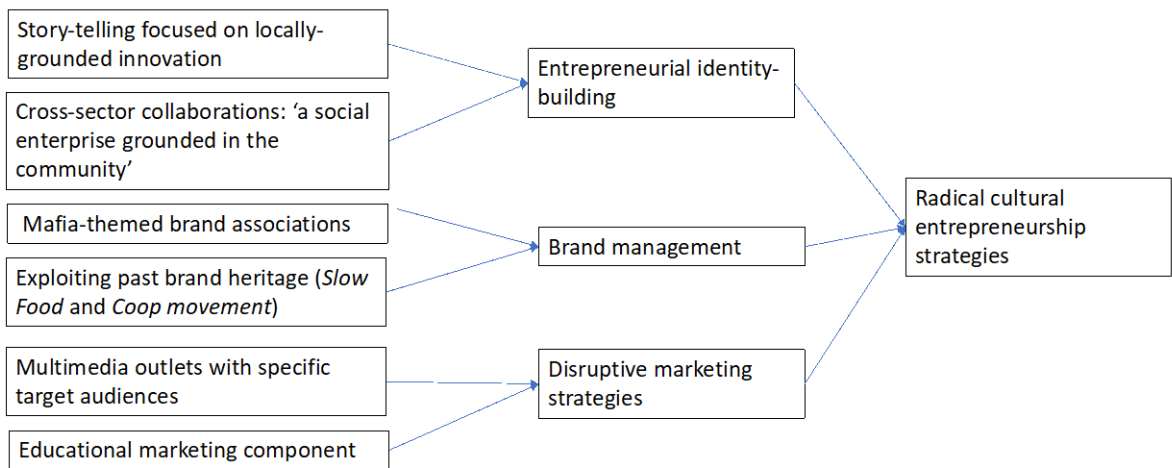
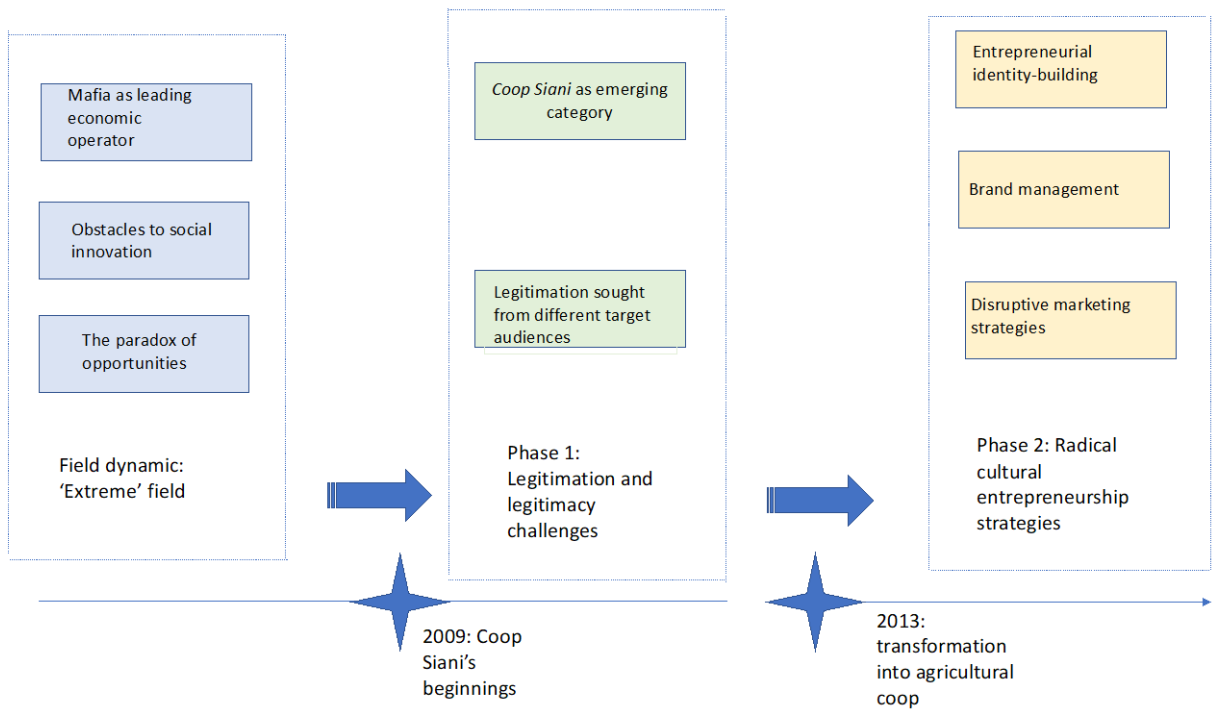


Fig. 2: DYNAMIC MODEL



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