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Social Solidarity Economy: Toward Convergence across Continental Divides

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This is part of a series of think pieces by scholars and practitioners working on a broad range of issues within the field of Social and Solidarity Economy. The series is being published in conjunction with the [UNRISD conference](#) “Potential and Limits of Social and Solidarity Economy”. The conference took place on 6-8 May 2013 in collaboration with the International Labour Organization and the UN Non-Governmental Liaison Service.

The Social Solidarity Economy (SSE) is a relatively new framework and as such there is still a wide variation in concepts and definitions between, and even within, different regions. The Réseau intercontinental de promotion de l'économie sociale solidaire (RIPESS)¹ is engaged in a process of exploring divergences and convergences surrounding concepts, visions and definitions of SSE across continents. Over the course of the last two years, RIPESS has held discussions with SSE representatives from every continent on this topic. In the course of this

process, which will continue through to the next SSE global meeting in Manila in October 2013, we have seen an increasing degree of convergence as we both build a common foundation of understanding and overcome misinterpretations or misunderstandings that may initially have appeared to be differences. Thus the concept of SSE is continuing to evolve through dialogue, practice and theoretical exploration. This think piece aims to clarify the concept of SSE by identifying points of convergence among practitioners and scholars in different regions. It also seeks to promote mutual understanding within the SSE community by illustrating how variations in meaning derive from different political, historic and cultural contexts.

This think piece will draw on insights and documents being developed in the ongoing RIPESS process, as well as those of my colleagues on the RIPESS board. However, unless otherwise specified, the piece represents my own interpretations and opinions.

Emily Kawano is the executive director of the Center for Popular Economics, a collective of economists dedicated to demystifying the economy in order to strengthen the struggle for economic justice. She has developed curriculum and facilitated numerous trainings on a wide range of economic issues, including the solidarity economy. She is one of the founders, and serves as the coordinator, of the U.S. Solidarity Economy Network. She serves as the U.S. representative on the Board of RIPESS.

What's at stake

There is an historic opportunity to build SSE as a result of the ongoing economic and environmental crises. These dual crises have exposed the limits of capitalism to create an economy that serves people and planet: one that addresses inequality, poverty, hunger, climate change, resource depletion, and one that creates opportunities for people to engage in democratic processes beyond the voting booth.

It is critical to continue the exploration, dialogue and construction of shared understandings and visions of SSE. Without a deliberate effort to work toward greater understanding and convergence, it would be all too easy—given the different histories, actors, cultures and languages—for the global movement to build SSE to grow apart rather than pull together. At the same time SSE is committed to pluralism, meaning that we do not believe in a one-size-fits-all blueprint. So while we seek to maximize convergence, we also recognize and respect differences. Furthermore, we embrace the notion that the SSE concept will continue to change and evolve as theory and conceptualization are informed by practice and deeper cross-cultural, historical and political understanding.

SSE concepts, vision and framework

The Social Solidarity Economy is actually a marriage of the solidarity economy and the more radical end of the social economy. Both of these exist in multiple dimensions: as a theory or framework, as a social movement and as concrete practices, policies and institutions.

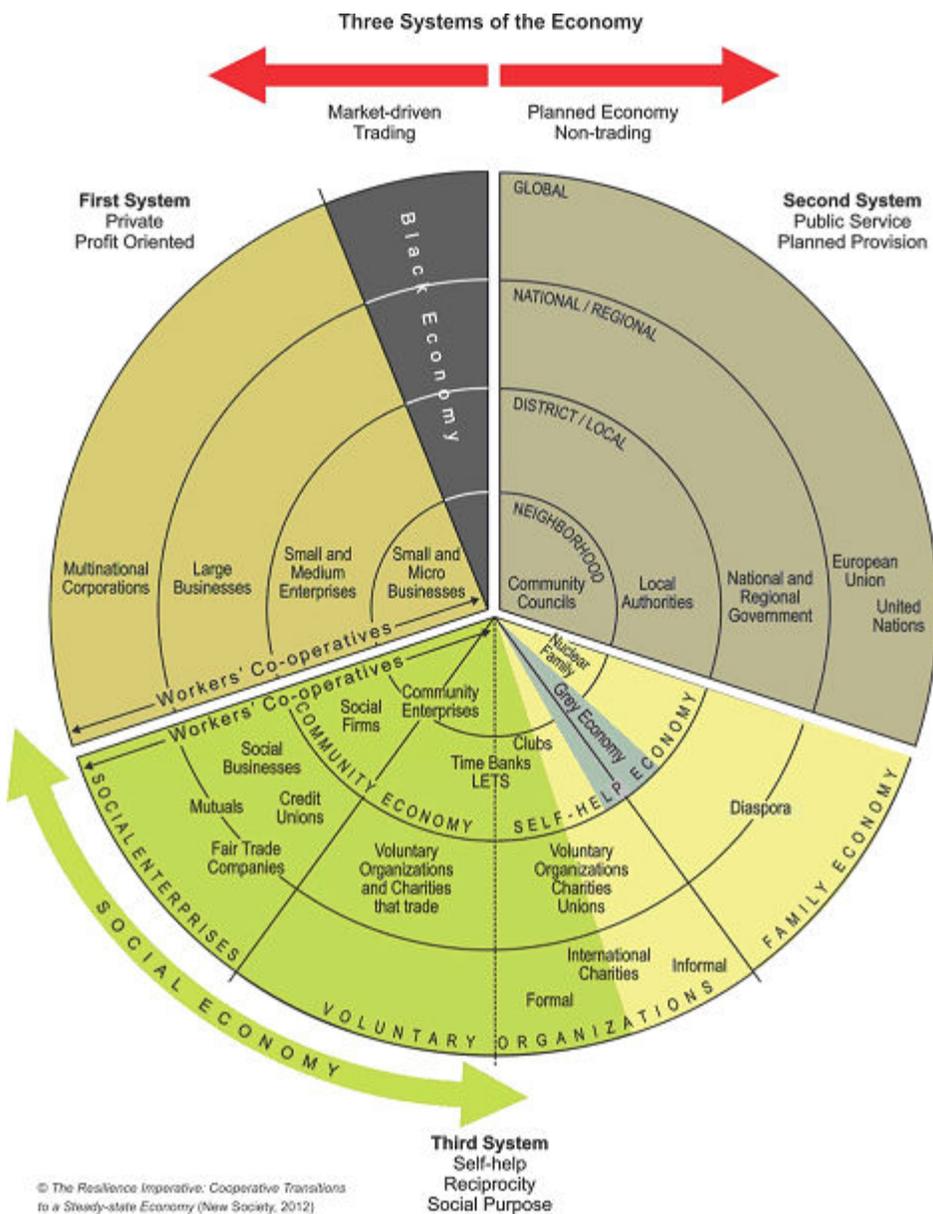
At the level of theory and framework, proponents, practitioners and academics seek to develop a coherent articulation that draws together concrete practices. As a social movement, proponents, organizations, and enterprises connect with each other to strengthen the social or solidarity economy. At the level of practitioners, some will identify with the framework and movement, and some will not, due to a lack of either awareness, interest or agreement.

Social economy versus solidarity economy

Social economy is a concept that dates back to the mid-nineteenth century but one that has changed over time and place. There are competing definitions of the social economy, but for the purpose of this paper, we will use the following one that is widely accepted in Canada and Europe.

The *social economy* is commonly understood as a part of the “third system or sector” of the economy, complementing the “first sector” (private/profit-oriented) and the “second sector” (public/planned). Diagram 1 shows the social economy as part of the “third system” of self-help, mutual aid and social purpose (Lewis 2007). The social economy includes cooperatives, mutual societies, associations and foundations (collectively known as CMAFs) as well as other types of enterprises that are collectively organized, and oriented toward social aims that are prioritized above profits or returns to shareholders.

The social economy can be seen as an important and supportive part of capitalism, comprising a third sector alongside the profit-driven private sector and the state. Some proponents argue that it plays a critical role in addressing problems such as poverty, unemployment and social exclusion, which if unaddressed might erupt into destabilizing social unrest. Other social economy proponents see it as a stepping stone toward a more fundamental transformation of the economic system. It is this end of the social economy spectrum that converges with the concept of the solidarity economy.



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Diagram 1

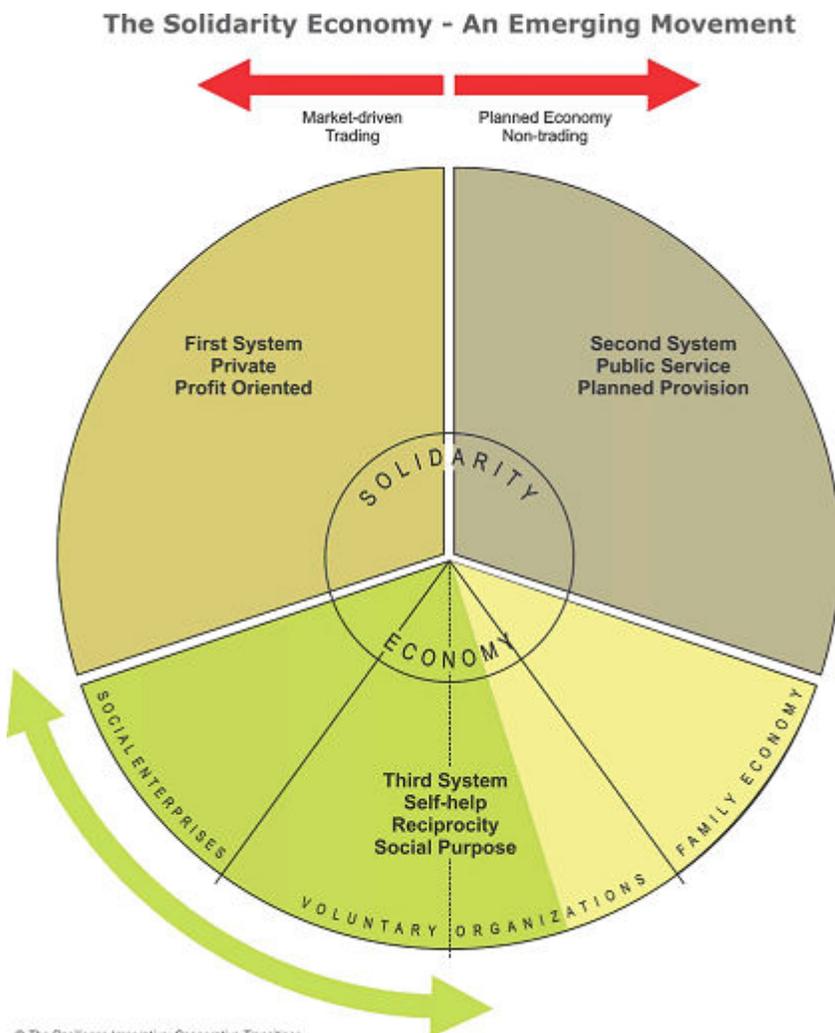
Source: Lewis and Conaty 2012.

The *solidarity economy* seeks to change the whole social and economic system and puts forth a different paradigm of development that upholds solidarity economy principles. It pursues the transformation of the neoliberal capitalist economic system from one that gives primacy to maximizing private profit and blind growth, to one that puts people and planet at its core. As an alternative economic system, the solidarity economy thus includes all three sectors: private/for-profit, public and the third sector. Diagram 2 shows the solidarity economy as a circle that occupies all three sectors. The goal of the solidarity economy movement is to expand the circle so that it becomes the economic norm. This systemic framing is reflected in this statement from the RIPESS Charter:

We propose and work for an economy that combines and balances logics of accumulation, redistribution and reciprocity, expressed in a democratically regulated market, the equitable reassignment of resources by a participating State, and the affirmation of practices of mutual benefit in the framework of a society and a culture of solidarity.
(RIPESS Board of Directors 2008)

The solidarity economy seeks to re-orient the state, policies, trade, production, distribution, consumption, investment, money and finance and ownership structures, and to harness them toward serving the welfare of people and the environment. What distinguishes the solidarity economy movement from many other social change and revolutionary movements in the past is its pluralist approach, eschewing rigid blueprints and the belief in a single, correct path. The solidarity economy values and builds on concrete practices, many of which are quite old, rather than seeking to create utopia out of theory and thin air (Kawano 2010). Thus the solidarity economy explicitly has a systemic, transformative, post-capitalist agenda. The social economy framework comprises a spectrum of definitions, ranging from a third sector that strengthens and stabilizes capitalism to the more radical view in which the social economy has a transformative, post-capitalist agenda.

Social economy is sometimes used interchangeably with solidarity economy. Because of the political ambiguity of the social economy, this conflation muddies the transformative and post-capitalist agenda of the solidarity economy.



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Diagram 2

Source: Lewis and Conaty 2012.

The Social Solidarity Economy

RIPESS uses the term Social Solidarity Economy to embrace both the solidarity economy and the more radical end of the social economy.

In a working paper on SSE definitions, concepts and frameworks (RIPESS and Kawano 2012) that has drawn on a series of RIPESS Board discussions and RIPESS statements, a number of areas of agreement have been identified, which are elaborated upon below. This working paper will feed into a process of continental dialogue in preparation for the next Global Solidarity Economy Forum in Manila in October 2013.

1. Social Solidarity Economy is an alternative to capitalism as well as other authoritarian, state-dominated economic systems. It allows ordinary people to play an active role in shaping their economic lives.
2. Social Solidarity Economy is an ethical and values-based approach to economic development (as opposed to growth) that prioritizes the welfare of people and planet over profits and blind growth. We re-affirm the values expressed in the RIPESS Charter which include:
 - humanism;
 - solidarity/mutualism/cooperation/reciprocity, including globalization of solidarity (anti-imperialism);
 - social, political and economic democracy;
 - equity/justice for all including the dimensions of gender, race, ethnicity, class, age and sexual orientation;
 - sustainable development;
 - pluralism/inclusivity/diversity/creativity;
 - territoriality/localism/subsidiarity—decision-making and management on as local a level as makes sense.
3. Self-management and collective ownership in the workplace and in the community is central to the solidarity economy. There are many different expressions of self-management and collective ownership including: cooperatives (for example of workers, producers, consumers; credit unions and housing cooperatives), community-owned enterprises, and the commons (for example participatory governance and community management of the forests in Nepal).
4. The solidarity economy has a focus on the empowerment of women and other marginalized groups, as well as engaging in anti-poverty and social inclusion work. We recognize the importance of linking with social movements because we can't do it alone.
5. There are many areas of economic activity that have great potential to develop as allies. Some of these areas are partially aligned with, but are not a part of, the solidarity economy such as the popular economy/informal sector. Others identify with a particular aspect of solidarity economy values, such as green, organic, or fair trade, but may be in conflict with other values in important, structural ways. Nonetheless there is great potential to build alliances and mutually supportive collaborations.

- *Popular economy or informal economy*: the popular or informal sector of the economy is very important given that many people, particularly in the global South, depend on it for their livelihoods (Schneider, Buehn and Montenegro 2010). For example, three quarters of the population in Mali are involved in the informal economy. The popular economy is comprised of economic activities that are not covered by formal arrangements such as taxation, labour protection, minimum wage regulations, unemployment benefits, or documentation. Many self-employed workers, microenterprises, traders and mutual aid practices are part of the popular economy.

The popular economy is not the same as the solidarity economy, but it is aligned in many ways because the actors often find collective ways to provide for social and economic needs, such as lending circles, community kitchens (known in Spanish as *comedores populares*), mutual aid, mutual insurance systems and so forth. For example in Venezuela the Ministry of Popular Economy is very closely oriented toward the solidarity economy.

- *Organic, green, fair trade*: there are many trends and movements that share some solidarity economy values and yet may or may not be included in the solidarity economy. An example of the latter would be Wal-Mart, which on the one hand has its own brand of Rainforest Certified Fair Trade Coffee but at the same time pursues anti-union policies and uses its massive market share to depress prices and wages. Yet there are certainly practitioners in these sectors that are valuable allies and indeed others are already part of the Social Solidarity Economy.

Conclusions

We accept that on each continent there are different areas of focus, entry points and specificities that result in the use of different terminology relating to the Social Solidarity Economy. Terms such as societal transition, movement for transformation, change of paradigm, alternative model of economic development may be used in different places and in different circumstances depending on political, historical or cultural sensitivities. For example, in some circles in Asia, the term solidarity economy is viewed with suspicion as a close cousin of socialism. In Africa the term cooperatives is avoided due to negative connotations. Instead they use the term collegial management. The Social Solidarity Economy does not exclude participatory, democratic forms of socialism but RIPESS recognizes that each region must decide what language and framing is most appropriate to its particular circumstances. RIPESS does not seek to constrain these specificities, but rather to find areas in common between continents, and to work in an organic fashion toward greater clarity and mutual understanding. This is of critical importance to building greater solidarity of vision and action within and across continents.

FOOTNOTES

1 [RIPESS](#) is the Intercontinental Network for the Promotion of the Social Solidarity Economy, comprised of continental networks that in turn include national, regional and sectoral networks of SSE practitioners, activists, academics and advocacy groups.

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COMMENT

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