

Policy Innovations *for* Transformative Change



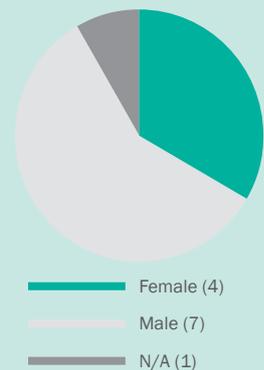
UNRISD

United Nations Research Institute for Social Development

Social and Solidarity Economy: An Innovative Pathway to Sustainability (Chapter 4)



Demographic data about users who read and commented on this chapter:



SECTOR



As a learning organization that aims to be inclusive of diverse perspectives and responsive to our constituents, we held a consultation prior to the launch of our 2016 Flagship Report to make sure our work reflects the needs of our users.

On a scale from one (low) to five (high), users rated this chapter based on three criteria:

QUALITY
4,3

READABILITY
4,4

USEFULNESS
4,2



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Compendium of substantive feedback

Based on your knowledge and understanding, are we presenting an accurate picture of the topic?

Participant 3

The document addresses the issue of social and solidarity economy generally and quite complete. The Box 4.1. Core characteristics of SSE organizations and enterprises and the Figure 4.1. Situating SSE in the broader economy clearly diagrammed the situation of the SEE. I think in the Box 4.1. could include the principles and values of cooperatives, specifically; and adopt the term entities of the social and solidarity economy, rather than actors SEE

Participant 4

The overall presentation of SSE development presents an accurate overall picture. However, whether or not SSE initiatives contribute to a constructive development depends on how they are adapted to national and local traditions and circumstances. Because European (and especially Nordic) SSE often has a large economic dependence and interaction with the public sector, a discussion of SSE's role in the welfare state is relevant. Deconstructing welfare states beyond recognition in favour of universalised and non-contextualised SSE models is not the way forward. What is needed here may instead be simply a renewal of the public sector, where reorganisation and more efficiency is the solution. On the other hand, countries with a weak social sector may benefit from generalised SSE models because human and social values will be put on the societal agenda.

Participant 5

Yes, the picture presented is accurate, especially due to the relation presented between SSE a popular economy.

Participant 6

Yes. The work is very well written, with a global outlook. I learned a lot. many thanks for sent me. I suggest:
1. deepen the relationship between the SSE with the Agenda 2030 objectives;
2. In Brazil, in the box 4.6 - update which, at present, there was a change in the conduct of SENAES, in view of the political changes in Brazil, and Prof. Singer, unfortunately, It is not the national secretary of SENAES;

Participant 7

The portrayal of social and solidarity economy is accurate but our analysis shows that different 'sister' movements have more traction in different regions, and to give a coherent global picture worthy of the United Nations would require a broader assessment.

As with the British Council, it is important that multilateral organisations give respect to different sectors in different countries and regions, aiming to enable dialogue between and common understanding. Globally we are missing a key opportunity to speak together.

This is something we are working on and we have been engaging in dialogue on this in a number of markets. We would like to work with the UN on this, assisting the movements to collaborate and, at times, for maximum leverage, to show a common agenda - which of course not diminishing the diversity and distinct nature of each element.

Participant 9

- The role of community in addressing gaps in the market provided by government/statutory bodies is important to emphasise.
- Provides a good global picture of activity issues and policy.
- Unclear in some sections if main thrust is cooperatives or wider social economy.

Participant 10

Based on my knowledge and understanding I believe the chapter is accurate (though, as I mention below, I think there is a point that needs more explicit addressing).

Participant 11

Yes, it is. Personally, I would recommend to concept what exactly solidarity is and work the definition of SSE. The draft in some moments gets confused between solidarity and their expressions like philanthropy or charity.

Are the policy conclusions and recommendations useful?

Participant 3

Yes, because the conclusions are general guidelines that affect this type of economy

Participant 4

A research agenda in the SSE field is required, which to a higher degree takes into consideration non-universalised and locally contextualised factors. A transfer of SSE from one context to another is often bound to fail because socio-cultural contextualisation is often not taken into consideration. It is important in order to counteract one-fits-all-solutions to complex social challenges.

Participant 5

Yes, they are. However I am a little bit more critical and propose we should ask ourselves if the SSE principles and values could not be an innovative, diverse and alternative way to the very economics. That means not to regard it as an 'alternative' to the mainstream, but as a real possibility of being the dominant way to production, trade and consumption....

Participant 6

Yes, very useful. Nevertheless, I missed the deepening of an issue that, in Brazil (as well as check in other countries), refers to a matter of great importance for solidarity enterprises (empreendimentos econômicos solidários - EES): the creation and strengthening of the EES networks. That is, we must also discuss emancipatory potential of EES and strengthening themselves. It is what I call a supportive "social entrepreneurial ecosystem".

Participant 7

No in that they are missing a genuinely global and inclusive mandate, it is good but does not go far enough.

Participant 9

Good observations but could refer to SOCIAL IMPACT policy has had on building supply chains such as UK social Value Act in public procurement, whilst recognising that focus is on middle and low income countries what is the learning we take from this and its impact

Participant 10

In my view, the chapter offers a very useful set of policy recommendations. I totally agree with the fact that institutionalization and sustainability of government interventions are key for the success of SSE initiatives. The shift to the right (see page 22), however, is only part of the problem. The other part (which I think the chapter does not bring out), is that the clientelistic nature of some large-scale SSE programs undertaken by populist governments (take, for example, the Argentina Trabaja Plan) may contribute to undermine the legitimacy of future SSE policy initiatives.

Participant 11

Yes it is but it could be improved by adding concrete propositions in each area where SSE can make influence (finance, economy, law, politic, etc.). Then it could include an especial part dedicated to illustrate steps of UNRISD for promoting the ideas of SSE.

Are we missing something? (Examples, data, etc.)

Participant 1

See free open Access publications No. 1, 2, 3, 4, and possibly some of the following below. No. 1 is a good - if not the only example of - practice which is purely bottom with no government involvement, now in its 20th year.

OPEN SOURCE BOOKS – FREE DOWNLOADS

- 1.Social and Solidarity Economy for Sustainable Development: The Social Economy Basel example
- 2.The Great Sustainability Challenge
- 3.The Coming Age of Scarcity : Preventing Mass Death and Genocide in the Twenty-first Century
- 4.Das Zeitalter der Knappheit – Ressourcen, Konflikte, Lebenschancen
- 5.Sozialpolitik Anders Denken. Das Verursacherprinzip – von der Umweltpolitischen zur sozialpolitischen Anwendung
- 6.Sozialpolitik nach Verursacherprinzip : Beispiele der Anwendung aus Arbeit, Gesundheit, Sucht, Schule und Wohnen
- 7.Soziale Arbeit und Ökonomie : Politische Ökonomie, Arbeitsmärkte, Sozialpolitik, Soziale Ökonomie
- 8.Armut : der Mensch lebt nicht vom Brot allein : Wege zur soziokulturellen Existenzsicherung
- 9.Weg von der Armut durch soziokulturelle Integration : Bei Sozialhilfeabhängigkeit, Alter und Behinderung
- 10.Selbstverwaltung: Entwicklungen und Perspektiven, Soziale Bewegungen, Krisen und Soziale Oekonomic
- 11.Entmündigung und Emanzipation durch die Soziale Arbeit: Individuelle und strukturelle Aspekte
- 12.Estrangement: Marx's Conception of Human Nature and the Division of Labour
- 13.Genocide and the Modern Age: Etiology and Case Studies of Mass Death
- 14.Genocide In Our Time : An Annotated Bibliography With Analytical Introductions
- 15.Towards the Holocaust: the social and economic collapse of the Weimar Republic
- 16.Radical Perspectives on the Rise of Fascism in Germany, 1919-1945

Participant 2

You talk about different forms of SSE. I think it would make sense, to talk about the broad and growing variety of this socio-economic culture (cooperatives, urban agriculture, new subsistence-economy, common-pool resource management etc.) and show the common roots within civil society dynamics and capacity. In addition, I as community developer and professor for social sciences have the experience (and there is a lot of literature to this topic), that especially in remote and disadvantaged areas we need participatory settings to get people involved and leadership programs to sustain processes and organizations. (Prof. Dr. Susanne Elsen, University of Bolzano, Italy)

Participant 3

I think it would be interesting to deepen regional differences in the social and solidarity economy ; classes of existing entities , for example , in Europe and Latin America. Also, you should take the term entities of the social and solidarity economy , rather than "SSE actors and intermediary organizations".

Participant 5

Perhaps the Brazilian long-term and large-scale experience on public policies for SSE could be interesting to be presented.

Participant 7

At the British Council we run a 28 country programme which seeks to work with all aspects and movements in positive dialogue towards a more social economy. We believe this is most effective and gives respect to national terminology, language, existing sectors.

Specifically, social and solidarity economy has fantastic reach in some markets and the UK also has a deep history in co-operatives and other related structures - these must be respected. However we must also work with and respect other aspects working for a more social economy such as:

- social business or social enterprise (perhaps without 'one person one vote' but where a social or environmental objective is the only reason for being in business) is arguably further advanced in markets such as South Asia where you have Yunus and brac etc.
- we need BOTH the sources of finance as well as the business models used, and therefore we must respect also those who continue to seek progress in the global social investment movement and venture philanthropy.
- dare I say - what about 'better business' agendas led by the likes of Unilever who are seeking from their perspective to re-engineer what these multinational companies do and how they are held to account.
- there is a growing movement around social impact measurement - generally this is arguing that ALL businesses need to be reporting on a triple bottom line not just financials. This movement is also aligned with the Social Progress Index or other efforts to replace the emphasis on GDP for country 'success' with more holistic index's around citizens well-being

We encourage you to look at our report into the need for business with a social purpose for achieving the SDGs which we launched in partnership with the World Bank in Sept and around which we have had continued dialogue with many multilateral organisations including the EC.

https://www.britishcouncil.org/sites/default/files/seuk_british_council_think_global_report.pdf

Participant 8

Section 3 needs more information about laws.

Participant 9

There is rapidly growing evidence of the value of convening power and 'trading in trust' the movement offer this opportunity but chapter needs to strengthen how it does this in practice. The importance of mentors and champions at a local and political level. How an eco-system is actually created and sustained to encourage growth. Social Impact, this is different from Monitoring and a much more powerful tool no reference made to this, could say more about co design in this space. The economy has become more knowledge-based, the education systems have needed to diversify and improve. Governments will be contracting rather than delivering services, demanding better value for money. How does this fit?

The role of social enterprises is to take risks and push boundaries. They will be shaping markets, not simply existing to sell in them, can make more of this point.

Leadership - we need to invest in stronger cohort of social enterprise leaders who will lead and Influence: leading on Research and Development for social problems, continuing to challenge and innovate.
https://www.britishcouncil.org/sites/default/files/seuk_british_council_think_global_report.pdf

Access to finance – new models such as community shares needs more profile as well as Credit unions both offer strong ways of accessing and raising finance,
<http://communityshares.org.uk/>

4.1 no mention of social economy or social enterprise linguistics is confusing here phrasing it this way is narrow and SE is mentioned in other parts of the chapter requires continuity in document

Role of state in education not just basics such as literacy but skills for 21st century and entrepreneurial learning opportunities, we need a new generation of social entrepreneurs to emerge

Role of movement in delivering SDGs needs strengthening - Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation global trade, investment and business activity are our most powerful drivers of economic transformation and social change, but we cannot rely on business as usual to reduce income inequality, which underpins many social and environmental problems. Indeed, in many countries economic growth has not only failed to reduce income inequality – it has caused it to widen. In Indonesia, for instance, the economy grew by an average of 5.62% per year between 2002 and 2011, while income inequality worsened by an average of 3.14% per year over the same period.

Participant 10

I think the perils attached to the political instrumentalization of SSE initiatives could be emphasized a little more in the chapter. Corruption and clientelistic use of SSE policy by populist governments can provide a future right-wing leader with the perfect excuse for discontinuing public support to SSE initiatives.

On corruption and political instrumentalization of SSE policy actions in Argentina I recommend the following readings:

Zarazaga, R. (2014). Política y necesidad en Programas de Transferencias Condicionadas. La Asignación Universal por Hijo y el Programa de Inclusión Social con Trabajo “Argentina Trabaja”. En C. Acuña (ed.). El estado en acción. Fortalezas y debilidades de las políticas sociales (pp 71-107.). Buenos Aires: Siglo XXI Editores. <http://www.fcias.org.ar/wp-content/uploads/2014/02/politicas-y-necesidad.pdf>

Gutted Community (The Economist, July 6th, 2016)

<http://www.economist.com/news/americas/21699717-scandal-strikes-famous-social-project-gutted-community?zid=305&ah=417bd5664dc76da5d98af4f7a640fd8a>

Scandal hits Argentina's mothers of the disappeared (The Guardian, June 12th 2011)

<https://www.theguardian.com/world/2011/jun/12/scandal-argentina-mothers-funds>

Participant 11

Definitely, I am a lawyer and see that the part of law is one the topics to be worked with more emphasis for the final version. It is not serious to enumerate experiences of practices of SSE ideas in few countries (Bolivia and Nicaragua for example) to make an assumptions of Social Economy Law. I think, the chapter needs to justify: 1) how law helps to economy?; 2) How SSE could be adapted to legal rules; 3) What are the elements of Social Economy Law; and How Social Economy Law could make influence in the rest of legal systems.

Participant 12

Popular and Solidarity Economy projects in Ecuador

This process started in 2006, in which the actors within the social and solidarity economy were shown as an important part of the economy and key to the sustainable economic growth of the country, being recognized by our Constitution of 2008, that the economic system is integrated by the public, private, mixed, and popular and solidarity ways of economic organization.

Under the constitutional framework, in 2011, the LORCPM Organic Law of Popular and Solidarity Economy was approved. The law defines popular and solidarity economy as a way of economic organization where its members, in an individual or collective way, organize and develop production processes, exchange, commercialization, financing and goods and services consumption, for satisfying needs and generating revenue based on solidarity, cooperation and reciprocity relationships and privileging work and the human being as a subject and end of its activities, oriented toward “Buen Vivir”, in harmony with the nature, above appropriation, profit and wealth accumulation.

Following this line of institutional development, in 2012 the Organic Law for Regulation and Market Power Control. Its guidelines favor the defense of the general interest of society over particular interests, as for the recognition of the structural heterogeneity of the Ecuadorian economy and the different ways of

economic organization, including that of the popular and solidarity organizations; strengthening them within fair trade.

With these legal instruments and the public policies that have been implemented by the national government looking for a fair market that has opportunities and equal conditions, important achievements have been reached in favor of the popular and solidarity economy as for example:

1. The Ecuadorian State, fostering the sector of the popular and solidarity economy, has created several products and services through public institutions such as: the Ministry of Social Economic Inclusion, the Institute of Popular and Solidarity Economy, the Superintendence for Popular and Solidarity Economy, the Ministry of Agriculture, husbandry, Aquaculture and Fishing, the Ministry of Industry and Production and public development banks; that work in a joint effort to achieve this goal;
2. The creation of the Superintendence for Popular and Solidarity Economy, which objective is to recognize, foster and strengthen the popular and solidarity economy and popular and solidarity financial sector; potentiate practices that are developed in communes, communities towns and nationalities and in their productive economic units as for establishing a common judicial framework for natural persons that integrate this sector. This action has allowed that 2498 cooperatives have been regulated and to improve their capital and solvency indexes giving security to their associates and potentiating economic inclusion in the country;
3. The Organic Law for Popular and Solidarity Economy has allowed cooperatives and communal loan funds in Ecuador to develop and important interconnection, through their financial structures, for fostering the sector and upgrading the effects of productive chains, especially in the countryside of the country;
4. The National Government, through the creation of a portal for public procurement, fosters national suppliers of products and services, among the members of the popular and solidarity economy in a way in which 170.000 producers have been benefited;
5. The national government, through the public development banks and the Popular and Solidarity Financial Corporations, gives technical and financial assistance for improving the conditions, benefits and opportunities of the Popular and Solidarity Economy actors in favor of financial inclusion. It is necessary to rescue the access of popular finances (represented by a group of cooperatives of credit and savings, loan funds, and communal banks) to the payment system that was formerly only focused on banks;
6. As a State Policy science and technology has been considered for economic productive development in the country, in which actors of the popular and solidarity economy have been included;
7. The Superintendence for Market Power Control made the manual for good commercial practices for the supermarket sector that has as main objectives and major achievements shown in the control and regulation of commercial relations of supermarkets and suppliers through the promotion and participation of SMES, artisans and the Popular and Solidarity economy;

This manual also compels supermarkets to exhibit in their shelves products of the popular and solidarity economies within preferential spaces in supermarkets. In this way, after a year of its emission, small producers' participation as suppliers of the five major supermarket chains improved their participation in 2015 by 489.9 million USD which represented 19.9% increase in relation to the total purchases made by the supermarkets.

8. The Superintendence for Market Power Control fosters the meeting of productive assemblies. Up to date 193 of them have been organized in different locations of the country. These assemblies are spaces for citizen discussion looking to identify entry barriers that affect small producers and working public institutions, local governments and academia for removing them. As a result of these assemblies, small producers have had the opportunity to participate in 44 businesses with big enterprises for selling their products. Furthermore, from consumers' perspective, more than 5.000 Users Committees have been organized in order to verify that the products and services comply with the necessary standards and that prices are fair.

The Superintendence for Market Power Control, in their efforts to support popular and solidarity economy, SMES and local production have emitted conditions to concentrations operations of conductual order where the operators are compelled to share spaces of their refrigerators for products of this productive sector. In this sense, refrigerators from ARCA (The Coca Cola Company), CABCORP (Tesalia) and the new enterprise resulting from the fusion of AmBev Ecuador and Cerveceria Nacional, have to comply with these measures; and,

9. The Superintendence for Market Power Control has created a virtual portal denominated Supertienda Ecuador (www.supertiendaecuador.gob.ec) that allows the promotion, purchase and sell of national products and services, preferably from actors of popular and solidarity economy.

The portal allows connectivity with different commercial platforms of the public and private sector without this effort representing any cost at all in terms of promotion. This portal paves the way for producers of the popular and solidarity economy to have access to a wider and most diversified market inside the national territory as an alternative to a concentrated consumption dynamic in the big cities of the country and allowing transactions and interactions to take place between other populations as for generating articulations, fostering the creation of alternative markets and incorporating new actors resulting in an independent productive market weaving.