



United Nations Research Institute for Social Development

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Social and Solidarity Economy

A NEW PATH TO SUSTAINABLE DEVELOPMENT

BRIEF

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Social and Solidarity Economy (SSE) is an approach to development that addresses the structural causes of poverty and unsustainable development associated with market-centred growth strategies and skewed power relations. It encompasses a broad and diverse range of organizations and enterprises that have explicit social and often environmental objectives. How can SSE approaches enrich debates on a new development paradigm beyond 2015?

What is SSE?

The term social and solidarity economy refers to a broad range of organizations that are distinguished from conventional for-profit enterprise and informal economy by four core features: they put social, and often environmental, objectives before profit; they involve cooperative and associative relations and forms of democratic management; they espouse values of solidarity, sharing and caring; and they are inclusive and rooted in the community.

SSE organizations include cooperatives, mutual associations, NGOs engaged in income-generating activities, women's self-help groups, community forestry groups, associations of informal sector workers, social enterprise, fair trade organizations and networks, as well as various forms of solidarity finance.

SSE and integrative development

With their focus on economic growth, social justice and environmental stewardship, United Nations processes under way to craft new goals for sustainable development beyond 2015 seem to recognize that the old development formula of economic growth plus social protection is insufficient. Persistent informalization and indecent work, environmental costs of industrialization, food insecurity and recurring financial crises require development policy that goes beyond the "add-on" syndrome whereby elements of social and environmental protection are bolted onto a policy portfolio that does not fundamentally address the structural underpinnings of unsustainable development.

The key contribution that SSE can make is in the way it simultaneously fosters economic dynamism, social and environmental protection and socio-political empowerment in an integrated,

Key Messages

- SSE fosters economic dynamism, social and environmental protection and socio-political empowerment, all of which are essential components of the integrated approach needed to achieve sustainable development goals.
- By supporting SSE, policy makers can provide an enabling environment to facilitate collective action for both economic and political empowerment.
- SSE highlights the importance of incorporating values, practices and institutions associated with cooperation, association, solidarity, reciprocity and redistribution into development policy.
- Business-as-usual policy approaches, such as private sector development, economic empowerment of individuals and corporate social responsibility, will remain ineffective if they do not address the structural underpinnings of unsustainable development.

holistic and balanced way. By its very nature it incorporates multiple dimensions of development, including many areas essential to the realization of sustainable development in the post-2015 agenda, such as the realization of rights, empowerment, equality, addressing women's care burden, decent work and transformations in production and consumption patterns.

Research indicates that SSE can be a key mechanism through which poor or disempowered people in society gain greater control over resources and decision-making processes that affect their lives. Economists and political scientists have long espoused the benefits that can derive from cooperation or group behaviour in terms of addressing market failures and making demands on more powerful entities. Sociologists have emphasized virtues related to social cohesion, identity and job satisfaction.



UN Inter-Agency Task Force on Social and Solidarity Economy (TFSSE)

Founded in September 2013, the Task Force brings together more than 20 United Nations agencies and intergovernmental organizations with a direct interest in SSE, as well as umbrella associations of international SSE networks.

As the United Nations discusses the contours of the post-2015 development agenda and promotes development pathways that simultaneously foster economic dynamism, social and environmental protection, and socio-political empowerment, the members of the Task Force undertake collaborative activities that aim to:

- enhance the recognition of social and solidarity economy enterprises and organizations;
- promote knowledge on social and solidarity economy and consolidate SSE networks;
- support the establishment of an enabling institutional and policy environment for SSE;
- ensure coordination of international efforts and strengthen and establish partnerships.

A rethink long overdue

Against the backdrop of financial and food crises, global warming, rising inequalities and persistent poverty, the ongoing rethink of the development agenda, prompted by the approaching end-date for the MDGs, is in fact long overdue. The current situation requires not merely tweaking business-as-usual through minimalist institutional, governance and policy reforms, but a search for genuine alternatives. The development framework beyond 2015 must avoid both utopian prescriptions driven by ideology, and models contingent upon specific institutional and political contexts that are unlikely to be found elsewhere.

The current dynamism within SSE, seen for example in the revival or expansion of cooperatives,

fair trade, community organizing and social enterprise, presents real world practices where economic activity is not associated with negative social and environmental externalities. The social and market relations in which workers and small producers are embedded are often empowering and emancipatory, although there is room for improvement in terms of gender equality and labour standards.

Why SSE fits the bill

SSE is not only a response to difficulties caused by labour commodification; it is also a response to mass unemployment caused by an industrial model that is unable to absorb surplus labour. It deserves more attention in the context of recurring crises (of finance, food and energy) as a productive and social model which can enhance resilience against external shocks. Pointing as it does to alternative forms of production, exchange and consumption, it may hold one of the keys to a less volatile, more inclusive economic system.

Furthermore, it takes the environmental dimension of sustainable development into account by encouraging low-input production systems and alternative consumption patterns which respect planetary boundaries, such as voluntary simplicity. The current vibrancy of socio-political contestation and advocacy associated with SSE also indicates its potential to reconfigure power relations in ways conducive to socially sustainable development.

Further reading

UNRISD. *Potential and Limits of Social and Solidarity Economy*. Event Brief No. 1., August 2013.

UNRISD. *Social Drivers of Sustainable Development*. Beyond 2015 Brief No. 4, February 2014.

UN System Task Team on the Post-2015 UN Development Agenda. *Realizing The Future We Want For All*. Report to the UN Secretary-General. June 2012.

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Through our work, we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

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About Beyond 2015 Briefs

UNRISD's "Beyond 2015" Briefs contribute research-based insight and analysis to the dialogue around the post-MDG development agenda. They highlight key information in a concise format, with references to further in-depth reading, useful to policy makers, activists and academics alike.

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