



**Groupe d'Économie
Solidaire du Québec**

THE SOCIAL/SOLIDARITY-BASED ECONOMY: A NORTH-SOUTH PERSPECTIVE

**Second International Meeting on the Globalization of Solidarity
October 9 to 12, 2001, Quebec City**

Synthesis and Conclusions

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1. PRESENTATION

As president of the Groupe d'économie solidaire du Québec (GESQ), I am pleased to present this Comprehensive Report of the Second International Meeting held in Quebec City in October 2001 in collaboration with the Grupo Red de Economía solidaria de Perú (GRESPE), who organized the First Meeting, the Inter-réseaux de l'économie solidaire (IRES) of France, and the Institut fondamental d'Afrique noire (IFAN) of Senegal.

We hope this document will diffuse the main topics of the discussions held in Quebec City and, in addition to the declarations we are currently preparing, help to pass on the torch to our African counterparts, who have agreed to organize the Third Meeting in Dakar in 2005.

The Lima-Québec-Dakar initiative is not alone in preparing a different kind of globalization from that imposed by neo-liberalism. However, we believe that by following the principle of alternating between North and South and by creating continent-wide networks, it makes a special, complementary contribution.

The Quebec City Meeting was marked by a clear refusal by the various actors to be forced into a rigid structure or a single political direction. They want to have exchanges that permit the expression of the pluralistic character of the solidarity-based economy and of how it has taken root in different realities and cultures. But the participants were in favour of setting up an International Liaison Commission made up of continental bodies responsible for circulating information, linking up the various networks and preparing the exchanges for the Third International Meeting in Dakar in 2005.

As Quebecers, we are proud to have been associated with the Latin American initiatives, which have taken the lead in terms of networking, both at the Lima Meeting and at the Conference on the Social/Solidarity-based Economy as part of the Second World Forum of Porto Alegre. We also greatly appreciate the importance of the European dynamics that have arisen in socioeconomic circumstances very close to our own.

But we are especially proud to pass on the torch to Africa where development issues are urgent. We sincerely hope that the preparation for Dakar 2005 will provide the opportunity both to create closer ties with the African actors of solidarity-based development and to favour the creation of a network on the African continent.

We chose to publish this Comprehensive Report in the hope that it would become a tool to further the globalization of solidarity. The texts and documents from the Second Meeting will be published as part of the conference proceedings in early 2003. A fair number of them are already available on the GESQ Internet site (www.uqo.ca/ries2001).

This document is both modest and ambitious. It is divided into four parts: the summary of a document that analyzes the international context offered to participants by the GESQ; the minutes of three round tables held on the mornings of the four work days; an overview of the work accomplished in the thirty- one (31) discussion workshops; the documents produced by various movements at the Meeting (the declarations by farmers, the union movement and the women's caucus) as well as the Final Document produced at the Quebec City Meeting, which identified the challenges in terms of the most important tasks to be undertaken to strengthen and develop the social/solidarity-based economy on the various continents where the participants originate.

We hope that this document will be considered as the first chapter of a larger work that we are offering to the International Liaison Commission and to our African friends, who are responsible for holding the next international meeting.

Gérald Larose, President of the GESQ
Montréal, fall 2002

2. RESIST AND BUILD

An Analysis of the International Context

Following in the footsteps of the Lima Meeting (1997), the Second International Meeting on the Globalization of Solidarity fulfilled a two-pronged objective of supporting the emergence of the new practices of the social/solidarity-based economy, of increasing their visibility and of working towards the development of alternatives to neo-liberal strategies for managing globalization. In preparation for the event, the Groupe d'économie solidaire du Québec (GESQ) proposed an analysis of the international situation entitled *Resist and Build*. The main themes of this document provide a framework within which the debates are presented. The unabridged version is available for consultation on the meeting site.¹

The Social/Solidarity-based Economy: Emerging Practices

The social/solidarity-based economy is at the heart of a social debate both in Quebec and around the world. Social/solidarity-based economy initiatives are emerging everywhere to various extents. As stated in the Lima Declaration, these initiatives propose the transformation of the informal, popular economy into a common law economy as well as increased recognition for the work of social reproduction carried out primarily by women and which is essential to the functioning of the economy.

The social/solidarity-based economy designates a group of economic activities with a social purpose that contribute to the development of a new way of living and thinking about the economy through tens of thousands of projects in countries in the North and the South. The meetings in Lima (1997) and Quebec (2001) adopted the following definition of the social/solidarity-based economy:

...(It) considers people to be at the heart of social and economic development. Economic solidarity is based on a political and social project that introduces a new form of politics and makes consensus a basis for human relationships and citizen action. (Lima Declaration, 1997)¹

This definition refers to a number of highly diversified practices, which share a common goal of:

- a) linking a productive activity with the satisfaction of the population's needs by giving precedence to social needs rather than to profitability;

¹ <http://www.uqo.ca/ries2001>

- b) producing goods and services by actively involving populations or segments of these populations within communities and locally based social networks that are based on and promote the participation of women and men;
- c) building community-based networks at the local, regional and national levels based on consensus-building and cooperation rather than on decision-making and control;
- d) working towards the emergence of new economic and social regulations, namely collective and democratic methods of managing businesses and development.

The social/solidarity-based economy includes all activities that operate according to the following principles:

- a) an indivisible collective property;
- b) the distribution of wealth to meet the needs of people rather than of capital;
- c) freedom of association and democratic management;
- d) autonomous decision-making and management in relation to the State.

It also includes the activities of microenterprises and of small private businesses that, although privately owned, operate within the framework of social relationships or a collective structure for the development of local and regional communities.

No sector is excluded from social/solidarity-based economic initiatives. They may arise in both urban or rural settings and in various forms, as much in the informal as in the formal sector. Their profit or non-profit activities may be directed towards an entire village or neighbourhood, or only towards a specific group such as women, youth, businesspeople, farmers, craftspeople, etc. These initiatives may be grouped into associations, mutual societies or cooperatives, but often they have no formal status. They are made up of men and women who contribute work rather capital and who invest as a group by relying on cooperation among stakeholders.

The following examples illustrate this type of organization, generally initiated by civil society in various sectors of the economy:

1. creating or maintaining jobs in the *talleres de producción* in Latin America, groups of artisans in West Africa, businesses fostering integration into the workforce in Europe and Quebec;

2. agri-food development by village groups, workers' cooperatives, agricultural producers' unions;
3. marketing of products and agricultural entrants by village granaries and cereal banks, collective marketing systems;
4. cultural activities developed by theater troupes, artistic cooperatives, businesses marketing craft products, training schools for street arts and other kinds of artistic production;
5. collective marketing of handicrafts by women's craft associations in India, groups of craftspeople in the Andes, fair trade between the North and the South;
6. solidarity-based savings and loans in the tontines in Africa and Asia; savings and loans cooperatives and village cash funds in Francophone Africa; credit unions in Anglophone countries; Grameen Bank-type solidarity-based credit systems in Asia, Africa and Latin America; financial cooperatives in Europe and North America;
7. community health services in health credit unions and mutual societies in Africa; health cooperatives in Latin America; mutual associations in Europe and North America;
8. collective environmental protection by reforestation associations; waste sorting and recovery centres, recycling plants and other social economy recovery and recycling businesses in both the North and the South;
9. community housing set up by associations and self-building cooperatives in Latin America and neighbourhood associations in Africa, housing cooperatives in countries in the North;
10. food security provided by community kitchens and gardens in Latin America, Quebec and elsewhere;
11. both rural and urban local development associations;
12. and so on.

The social/solidarity-based economy is therefore a comprehensive concept referring to a wide range of initiatives. It is based on equity and works actively to combat exclusion, sexism and racism. It is based on public policies favoring and promoting the democratization of States.

The social/solidarity-based economy operates within a plural economy and questions traditional development perspectives, in which a sharp distinction is made between the public and private spheres. The market and the State are not the only poles governing development. The social/solidarity-based economy adds initiatives taken by the civil society in the collective interest. The recognition of the role of civil society in economic and social development is consistent with a pluralistic economic perspective in

which the economy can better meet social needs by promoting an economy “with a market” rather than a “market” economy.

Within the framework of the updating and remodeling of the role of the State, the civil society fosters the perennity and the extension of the collective property of the instruments of development as well as the protection of the common good and of the collective interest through its action in the social/solidarity-based economy.

The social/solidarity-based economy makes it possible to broaden the definition of the collective interest and to ensure its promotion by not restricting it to the public sector. It provides an alternative to private business in activity sectors that must not be subjected to mercantilism and in which the State, while taking responsibility for regulation and redistribution, does not directly intervene in providing services. In this area, the social/solidarity-based economy and the public sector do not compete with each other. When well organized, they mutually reinforce each other and work conjointly for the common good and the collective interest.

Through its market activities in other lucrative socially useful sectors, the social/solidarity-based economy progressively takes its place in the market. Everywhere the issue remains the same: maintaining collective ownership of our resources and control over how our collective needs are met in the context of the globalization of markets.

Popular Development: An Issue in the North and in the South

The social/solidarity-based economy is a concept linking together these wide-ranging initiatives. Its success depends, firstly, on the propulsive force provided by social movements (community-based, women’s, union, ecology, youth), and secondly, on a vision of society, a perspective of development.

International social movements are currently undergoing a period of reconstruction. New actors are appearing alongside left-wing political parties, large union organizations and social economy institutions. Since the breakup of the main alternative political projects, the concept of development opens the way for the creation of a new vision of society holding broad appeal. The battle over the concept of development brings to the forefront the necessity of reaffirming the primacy of the society over the economy and

therefore of combating social exclusion, of giving priority to full employment and of creating new types of socio-political regulation.

Current thought on development can be summarized as follows: 1) social needs must take precedence; 2) the economy must be considered for what it is, a tool for development and not an end in itself; 3) the environment must be a new factor to take into consideration in economic decision-making; 4) some main priorities must be pursued simultaneously, notably employment, creating democratic institutions and sharing wealth.

Many non-governmental organizations (NGOs) in the North and in the South are committed to implementing this concept of development and adhere to a few main criteria to structure and breathe life into these projects. They rely on groups that promote democracy and on projects that support popular organizations, that collectively promote women, that can stimulate economic alternatives and that implement popular management of the environment.

In the societies of the South, popular development was ignored or considered as an obstacle. Popular development is that of a “grassroots” or popular economy that operates through local trading systems in elementary urban markets, small craft boutiques and small production workshops. This forms the essential foundation and the springboard without which development on another scale becomes impossible. Many local and social solidarity-based initiatives aim to strengthen this popular development, proving that it is possible to stimulate its growth. Were not the industrial societies that arose in Europe in the last century built, during a period of at least two hundred years, on the foundations laid by this popular economy?

In both the North and the South, this popular development is the essential foundation of modern, urban, industrial and tertiary development, since it introduces or restores an internal market. Capitalism is currently undergoing a period of globalization; emerging economies in the South require specific conditions to ensure their development: State intervention, strong civil societies, local trading systems, the presence of local governments, an environment favouring entrepreneurship, businesses and social economy agencies.

Globalization: A Reality

Globalization is a concept that frequently makes the headlines, but above all it is an everyday reality in our localities. Industrial activity is integrated enough on the continental and world scale that even small and

medium-sized businesses are confronted with the imperatives of large integrating businesses, which today are the only ones able to produce complex computerized systems which, from the space shuttle to road transport, make production and distribution possible. Even agriculture has come under the influence of this era of industrialization and mercantilism on a planetary scale: small-scale food production has given way to integrated production and consumption networks that even threaten biological diversity. With the advent of new technologies, services and culture are now important issues of world trade.

The management of globalization currently depends on dominant neo-liberal imperatives, but we should not overlook the emergence of opposing powers arising from alternative visions of society. We must not lose sight of the perspective of another kind of globalization adapted to challenges that neo-liberalism is unable to take into consideration.

a) The Dominant Neo-liberal Version

Multinational companies, about fifteen States and three large international economic institutions—the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO)—control world economic power for all intents and purposes. Some 60 000 multinational societies have 500 000 subsidiaries around the world and ensure more than a quarter of world production. From a political perspective, about fifteen of the approximately 200 States in the world, with the United States at the top of the list, exercise a quasi-hegemony in the management of the world order. Then come about a thousand international agencies and organizations most of which are linked to the UN, within which now dominate—although this was not always the case— the IMF, the World Bank and the WTO.

The current main trends are the nonregulation of the world economy, massive and growing poverty, negation of women's contribution to social reproduction, and threats to the planet's ecological balance.

b) An Emerging Opposition

Today we are more aware of the challenge posed by the absence of regulations. On the international public scene, the collapse of national economies in Mexico in 1994, in the Eastern-block countries in 1997, in Asia in 1998 and in Argentina in 2001, made it clear that neo-liberal economic globalization favors such unbridling of finance that the impact in the South continues to intensify. The major challenge is the mastery of the globalized world economy. The social/solidarity-based economy offers and can offer alternatives to

the mercantilism of our society in various fields (employment, culture, leisure, health and social services, housing...).

The second challenge of increasing poverty, refers especially to the South, to the informal economy and to under-employment, in both urban and rural areas. For leaders, for artisans and active supporters of social movements, and for promoters of international cooperation projects, the social/solidarity-based economy spearheads the battle for employment, the renewal of work and for social protection.

The third challenge is the recognition of women's work, of their contribution to the creation of wealth and to the well-being of our societies. This recognition is denied by not taking into account domestic production which, depending on the country, represents 30%, 40% or even 50% of the gross domestic product (GDP). On the contrary, the social economy aims to foster this recognition.

Finally the fourth, equally important challenge is the ecological threat to the survival of the planet, which has become much more explicit since the publication of the Bruntland Report (*Our Common Future*) in 1987, and especially since the Rio Summit in 1992. This led many international movements and large agencies to take issue, sometimes in a radical way, with our methods of production and consumption.

The neo-liberal globalization of the economy prevents the development of new regulatory institutions on the political level and also aggravates the quest for meaning and identity inherent in people's aspirations. In this context, societies and their respective social movements, have entered into a period of change. Globally, tens of thousands of projects bear witness to a new surge of vitality in community-based initiatives in the North and a resurgence of the civil society in the South, which each in their own way translate the desire for a new globalization.

The global dynamics must deal with these social forces that are independent of States, of large private businesses and of the UN's large economic organizations. The most significant forces in the last ten years have been those of ecologists, women's organizations, social rights associations and of some unions. These social forces can generally rely on international organizations linked to the UN whose social character is more clear and which are more open to the strategies of the social/solidarity-based economy. This is notably true of the United Nations Development Programme (UNPD), the United Nations Educational Scientific and Cultural Organization (UNESCO), and the International Labour Organization (ILO).

c) The Alternatives: Conflict and Cooperation Around International Issues

Broadly speaking, two perspectives of development share the stage. On one hand are the actors who initiated the neo-liberal globalization process: new groups of middle managers and of managers of larger private and even public enterprises. On the other hand are new popular actors supported by those working in NGOs and movements, new local development agencies and organizations, and businesses in the social/solidarity-based economy.

For the former, the economy needs to undergo a facelift by privatizing public enterprises, and through public decentralization and deregulation, because they believe that the State curbs entrepreneurial initiatives. For development to occur, the productive apparatus must be reorganized and the social space occupied by businesses must be delocalized. From this perspective, delocalization and decentralization play purely instrumental roles in creating effective, competitive poles that can compete on an international scale. Local development and the popular economy are only stopgaps for the social fragmentation provoked by globalization, a counterbalance for the regions who lose out, for communities that grow poorer, and for the more fragile segments of the active population.

From the latter local development perspective, the social/solidarity-based economy as well as a healthy civil society are cardinal components of development. Even if the great reform projects, such as the socialist conquest of power, are no longer part of the collective imagination, the affirmation of these communities' and regions' identities in both economic and social terms leads to a redefinition of development. These initiatives promote the introduction of new institutions, new subsidiaries, and demonstrate their ability to introduce fundamental changes on a national and even an international scale.

The globalization currently underway is therefore part of a permanent struggle and of temporary compromises between a variety of forces, which are divided as to which course of action to follow. Social pressure on firms can be very strong: for example, the paper and forestry industries, which must face demands by ecologists. For their part, despite their weakened position within a globalized market economy, States are also subject to social pressure: strong currents of public opinion play a crucial role in implementing economic policies that are more favourable to employment. As well, over the last few years, the power of the large international economic institutions has been hotly contested. In short, citizen, political and nonmarket management has become more apparent on the international scene.

From Lima to Quebec

This is an embryonic and relatively heterogeneous movement; its strategies do not always converge and its positions are often defensive, relying solely on political resistance. The organizations backing them up also depend on public funding, which is a source of criticism, and their representivity is called into question because they are identified with professional minorities committed to a socio-political position. Nevertheless, these movements may pass the test of time because certain conditions have gradually taken shape:

- 1) the desire for active citizenship is more explicitly expressed on the political scene: for instance meetings of NGOs at large UN international conferences and at Porto Alegre, as well as the demonstrations at Seattle, Quebec City, Genoa etc;
- 2) support for the social/solidarity-based economy of some States and international institutions is more evident: *Sécrétaire d'état à l'économie sociale et solidaire* (France), *Chantier de l'Économie sociale* (Quebec and Belgium), Social Economy Program of the International Labour Organization (ILO), etc;
- 3) bridges between traditional social movements are being created to build economic alternatives;
- 4) the capacity to work today in real time on a planetary scale owing to NICT promotes networking and mobilisation on an international scale;
- 5) projects and proposals concerning important international issues are multiplying: control of the WTO, taxing financial transactions, networking on an international scale of solidarity initiatives, cancelling of the debt of the poorest countries, preserving air, water and forests as world heritage, eliminating tax havens, etc.;
- 6) new kinds of international cooperation are also appearing: twinning of towns and villages; partnerships between NGOs and local communities in the North for the purpose of funding local projects in countries in the South, etc.

Sharing experiences, as enriching as this may be, is not an effective way to exert pressure on State policies, and large international and multinational organizations. We need a better global organization of current solidarities and a collective articulation of projects and proposals, which would permit better understanding of the issues, analysis of current experiences, design of new projects, diffusion of information in a more systematic way, etc., on a permanent basis.

In October 2001, the Second International Meeting on the Globalization of Solidarity brought together more than four hundred people from thirty-seven (37) countries, twenty-five (25) of which were in the South. Following in the footsteps of the First International Meeting in Lima (Perou) in July 1997, the objective was to determine the conditions in which international exchanges could express truly international cooperation and solidarity between partners from the North and the South in a world where the logic of the market dominates.

3. THE SOCIAL ECONOMY AND GLOBALIZATION – ROUND TABLES

3.1. *The Social/Solidarity-based Economy: A Different Kind of Globalization*

Local communities, social movements, some States, international agencies of the UN, NGOs... resist neo-liberal globalization and work to create new avenues. Trends stemming from neo-liberal globalization are intensively at work: financiarization and deregulation of the economy, increasing exclusion and instability, weakening of States... But is this globalizaiton still possible? Counter trends are emerging that favour a different kind of globalization. What role does the social/solidarity-based economy play in these counter trends?

Guest Speakers (Round Table, October 9, 2001)²:

- **Yao Assogba (Quebec/Togo):** The Popular Economy, the Development of Africa and a “Different Kind of Globalization”.
- **Jean-Louis Laville:** The Social/Solidarity-based Economy and the Social Economy: European Issues.
- **Nancy Neantam (Québec/Canada):** The Social/Solidarity-based Economy in North America : The Quebec Experience.
- **Ismaël Muñoz (Pérou):** The Social/Solidarity-based Economy, the Expression of a Globalization of Solidarity.

(photo)

From left to right: Nancy Neantam, Jean-Louis Laville, Gérard Larose, Ismael Munoz and Louis Favreau (for Yao Assogba)

I- The Social/Solidarity-based Economy: A Different Kind of Globalization

Globalization, qualified as neo-liberal since it is based on the ideas of an ideological renewal of advanced liberalism by various thinkers, movements and States with a conservative vision of the economy, has reached cruising speed with the conservative triangle of the 1980s (Reagan-Thatcher and Mulroney) and the fall of the Berlin wall. It introduced important new trends—financiarization of the economy, deregulation, retreat of the welfare state—with their associated collateral effects in both the North and the South.

Local communities, social movements, some States, international agencies of the UN, NGOs, development and many other types of agencies and associations are resisting neo-liberal globalization and are working towards building new options. Globalization is therefore not a unique, homogenous phenomenon.

II- Continental Contexts:

a) The Situation in Europe

Jean-Louis Laville examines the state of the social/solidarity-based economy in Europe from a historical perspective, which explains how this sector differs in the European countries examined.

The rise of associations set the stage for democracy in Western Europe. Two distinct models arose: the English model, in which the caritative agencies were linked to the idea of citizenship with charity as the social principle; and the French model, marked by Republican egalitarianism and the concept of solidarity as a social link. However, with the appearance of legal frameworks, institutionalisation progressively drew these two basic models away from their fundamental values. The social economy developed in three sectors: cooperatives, mutual societies and associations.

The cooperatives fit into the gaps in the market left by the developers. They were subject to the logic of competition, which led them to become more concentrated and specialized and, finally, to the progressive disappearance of any political objective. The mutual societies were set up at the beginning of the 20th century to overcome problems of inability to work and ageing. Accepted by the public powers, they were gradually integrated into public policies. The last sector, that of the associations, developed in three ways: in universalist social-democratic regimes, they exercised social pressure; in liberal regimes where the public services were absent, they played a minor role; and finally in corporatist regimes, they formed partnerships with the State. The social economy was successfully introduced all over Europe and was consolidated throughout the 20th century. However, the political project underlying this movement was set aside: issues of specialization, efficiency and increased technicity had a weaker impact in public debates. The political objective was lost in the economic consolidation process.

² Yao Assogba, sociologist, CRDC, Université du Québec en Outaouais (Québec/Togo); Jean-Louis Laville, sociologist, CRIDA-LSCI, Paris (France); Nancy Neantam, director, Chantier de l'économie sociale (Québec/Canada), Ismael Munoz, economist, GRESP, Lima (Perou).

The New Dynamic

Today, in the context of the transformation of work and of the economy, the acuity of the “end of the activists” paradox and the increasing involvement of community-based groups are worthy of note. There is a crisis of activism regarding the social project, and the more institutionalized associations have been deserted. At the same time, a panoply of concrete initiatives focusing on specific problems go hand-in-hand with a questioning of the citizen/consumer relationship and occupy the sphere of citizen participation and social cohesion. This phenomenon occurs in the context of a transformation of productive activities, where the service sector plays an increasingly important role in creating employment almost everywhere in the OECD countries. In this new context, innovations stemming from civil society networks arise and adapt to the transformation of the welfare state in various ways, depending on the context: for example, in Mediterranean countries, social cooperatives primarily take over where the State has withdrawn, whereas in corporatist regimes, mutual aid initiatives based on accountability and on attempts to give users a voice arise. This is where the concept of the solidarity-based economy or of the new social economy can be distinguished from the more established social economy.

These new, often known as “third sector” initiatives, must be defined according to their plural character rather than by a sectorial opposition to the market or to the public economy. According to Laville, the real economy develops around three poles: the market economy (market), the non-market economy (State) and the non-monetary economy (reciprocity). Currently, these poles tend to exist in a hierarchy in the contemporary economy, whereas the solidarity-based economy would represent a hybrid and a rebalancing of these poles. The objective is not therefore to take the place of the State, but rather to reintroduce the economy into a social and cultural project.

The European Challenges

This solidarity-based economy has only been partially taken into account by the European Union through the development of a third sector focussing on employment. The multidimensional “new social economy” must earn recognition in Europe beyond the employment sphere. If this recognition is delayed, the truncated concept of the economy, which opposes the growth-generating market to the so-called “parasitic” sector of the non-market economy, will triumph. However this recognition entails facing a few conditions and challenges: perpetuating and renewing the legal status of the social economy; defending these organizations’ right to autonomous decision-making; creating new partnerships with the public sector

beyond a client-orientation; overcoming the distinction between individual and collective services, to name just a few.

b) The Situation in Africa

Yao Assogba has examined the conditions and ways in which African experiences with the social economy have contributed to the emergence and strengthening of a “different kind of globalization” with a human face.

Taking Stock

A fundamental fact for Africa: 40 years of international aid and international development have been a monumental failure. Sub-Saharan Africa still has the lowest human development index (HDI) and is an endemic centre of underdevelopment. However, these failures also demonstrate African resistance, which are translated into popular practices as concrete forms of a socioeconomy of survival rooted in the land. There are two African realities: the official one, that has been the object of efforts by development actors and the hidden face of the crisis incarnated by often ignored popular practices. The latter reality has been progressively transformed from an economy of survival to a popular economy whose development has been limited by a lack of recognition.

Historical and Academic Foundations of the Popular Economy in Africa

In sub-Saharan Africa, the social economy originated in mutualism, cooperatism having been imported from the North with disastrous consequences in the 1960s. The kinds of solidarity on which these mutual societies were based arose within local communities faced with costly social events (such as marriages) and are today supported by peasant and worker movements. This social economy, closely associated with the notion of a third sector and with that of the informal sector, is hard to define. According to Peemans, the informal economy in Africa is a secular popular economy, which belongs to a productive entity that existed before colonization, but was marginalized during this process. Penouil also states that the informal sector provides a fertile ground for innovative initiatives and actions taken in order to survive in a precarious context and that the modern economy is undergoing a process of indigenization through the combination and the reinterpretation of local and borrowed cultural elements. This characteristically African social economy will be defined as the expansion of many small productive and marketing activities carried out by various groups (family, clan or ethnic groups), which develop according to a different logic than that of capitalism, since they are organized by the subject thus adding the work factor and aiming to

improve the living conditions of the people involved as well as of localities or villages. So a variety of logics coexist including the subsistence and the productive economy, social reproduction and friendship relations. At the heart of all of this is the importance of emotional relationships.

In the context of the specificity of the social economy in Africa, Yao Assogba mentions the importance of creating a social science of the popular economy in Africa. This necessity stems from the importance of reappropriating concepts and of making an epistemological break that takes African historicity into account. From his perspective, this new knowledge must be included in educational programs, but also in knowledge about development so as to go beyond normative and ideological approaches that underly a neo-liberal vision or a critical populist developmentalist vision. African researchers must break with both of these visions so as to promote an alternative globalization. As well, the popular economy must be introduced into local development.

A Different Kind of Social Economy

Although the majority of the African population earns their living from popular economy initiatives, the latter occur within a limited context of survival. According to the author, these rural African experiences hold real potential for social change, but some transformations must be made for this to occur. Referring to Braudel's three-stage model, the author states that the intermediate stage, between the "grassroots" economy and the world economy (the local market where the social economy develops the most), will act as a rampart against the dictatorship of the market economy and of political authoritarianism. In Africa, survival activities must be integrated into social life. To do so, one must fill the gap left by the colonial and post-colonial authorities between the micro and the macro level of the economy. National development programs should aim at raising the grassroots economy to the local level and in strengthening it before moving on to the upper levels. All development policies, defined as a populations' capacity to take charge of its territory and of their resources within an appropriate institutional framework, must be based on concepts specific to African actors such as the *tontines* in the financial sector.

Two conditions must be met so that the popular African economy becomes an acceptable alternative: 1) recognition of the popular African economy as an inevitable path for the growth and alternative development of African States by transferring powers to these organizations; 2) new relationships between the North and the South by means of solidarity relationships between social/solidarity-based economy agencies in the North and the South.

c) The Situation in Latin America

Ismael Muñoz paints a general picture of the dialectic between the two kinds of globalization: neo-liberal globalization supported by international economic institutions such as the IMF, the WTO and the World Bank and a more solidarity-based kind of globalization brought forward by popular forces.

He begins by presenting a portrait of the current economic crisis, mainly provoked by the financiarization of the economy and the significant impact this has on the economies of the South and of the North. One of the major problems is debt overload of countries, banks and businesses, which leads to an inability to pay and ensuing crises. For example, the crises of 1997 in Asia had impacts both regionally and internationally. In Brazil in 1998, in Argentina and Turkey in 2000, the crisis notably provoked a massive withdrawal of these economies' capital and an extreme debt overload leading to a social and political impact of increasing inequalities. A response to this globalization emerged in intellectual spheres, but also popular mobilization and actions taken by new social movements at large international meetings. The social economy had a role to play in this response, since it is based on the satisfaction of basic human and social needs and affirms the supremacy of work over capital.

Ismael Muñoz presents four illustrations of the globalization of solidarity. The first is the fight against poverty by families from popular classes and Third World countries. The first victims of the neo-liberal hegemony are marginalized people and weakened states, who pay the price. According to Canadian economist McPherson, this titanic struggle by the poor will be the fundamental factor fostering change in the dominant economy since it transmits an ethical and moral vision of the economy as opposed to the official economy, which has eliminated these considerations. However, this struggle against poverty also necessitates concerted action among state, economic and civil actors as illustrated by the *Mesa de Concertación para la lucha contra la Pobreza* in Perou, a decentralized structure for concerted action or the *Foro nacional Jubileo 2000* in Bolivia, which is a private-public forum for consultation.

The second example is the convergence of new social movements as seen at Porto Alegre, which constitutes a wide-ranging, global force as opposed to their anti-globalization label. This diversified movement including the struggle by women, Aboriginal people or ecologists as well as the struggle for human rights is one of the central players in the struggle for an alternative globalization.

The third illustration is the fight against the foreign debt of poor countries. Often incurred by corrupt, authoritarian governments, the debt increases at an unbearable rate according to variations in interest and inflation rates. This forces governments to cut public services to meet payment deadlines. Ultimately, the most marginalized of the poor countries pay the price of this debt for which they are not responsible and from which they have not profited. The *Jubilee 2000* struggle, which demands the cancellation of poor countries' debt, advocates the setting up of an independent arbitration tribunal to evaluate each of the countries concerned. From his perspective, this procedure would eliminate the "double standard" of Western countries, which did not hesitate to cancel the United States' debt in 1931 and Germany's debt in 1953, whereas that of the poor countries continues to increase.

Finally, the last illustration is that of international migration, now primarily from the South to the North, which according to the author, should become a right. Moreover, globalization theory underscores the importance of the mobility of people, goods and capital, whereas it seems clear that only goods and capital are mobile and that borders block the passage of people. As well as being a right, this migration is, through diasporas, an important source of capital for the countries of the South—twenty billion dollars (US) for Latin America alone.

The author summarizes his remarks by pointing out a double paradox: on one hand, international inequalities are increasing, whereas on the other hand, social indicators such as literacy, access to drinking water and nutrition show signs of improvement. According to him, despite the official discourse, different actors are responsible for these two situations. Precarity is provoked by the actors of the neo-liberal economy whereas social improvements are the product of popular and social actors, who have led daily struggles. Another phenomenon underlying the creation of a different kind of globalization is the positive historical phenomenon of profound changes in the international system, such as the end of colonialism and progress in the fight for human rights by civil society and various public bodies. So one of our responsibilities is to promote and further empower these struggles as well as to transform the economic and financial components of the international system so as to work towards the observed positive changes. Popular struggles as well as the popular economy have an important role to play in achieving this end.

d) North America: The Quebec Experience

Nancy Neamtan drew on the Quebec experience to broach the question of the role played by the social/solidarity-based economy in building a different kind of globalization. She pointed out that the history

of Quebec is rich in social economy initiatives and realizations, beginning in the last century with the introduction of savings cooperatives, agricultural cooperatives to help people to survive in a time of crisis, and adult education associations enabling workers to educate themselves. In the 1960s, the number of initiatives increased with the setting up of a panoply of organizations devoted to meeting the population's needs in areas such as health, lodging, and daycare, to name but a few. In the last fifteen years, a new wave of initiatives in the social/solidarity-based economy have arisen in what is now known as the new social economy, which is gaining increasing importance in the larger economy and in areas traditionally reserved for the private sector. The multiplication of initiatives first made itself felt in the local development field, notably in areas such as proximity services, new technologies, micro-credit or employment services.

Politically speaking, these initiatives earned recognition from the State and civil society, although not always for the right reasons. Social/solidarity-based economy agencies are often seen as managers of social problems, as the economy of poverty, or as a political dead-end by members of the left. Despite everything, the social economy has grown to become a movement of impressive proportions in Quebec for a variety of reasons. Since Quebec is a young society, it is more flexible; considerable resources are at its disposal since, despite some problems, Quebec is a rich country from the North; and finally, it is also a minority Francophone society in North America, which favours dialogue.

The Chantier de l'économie sociale, represented by the author, is one of the places where people can meet and share ideas about the new social economy. Founded nearly five years ago, it brings together the principal networks involved in developing the social/solidarity-based economy. This agency has become a place for discussions, debates and sharing experiences among business networks, social movements and researchers. Although the social economy "is very dynamic", and "increasingly dares to assert itself as an integral part of the socio-economic structure", it still remains marginal and its growth is limited by resistance from outside and weaknesses from within. She concludes that an alternative model of development cannot develop in a vacuum, namely within Quebec alone.

As for the role of the social economy in creating an alternative, she targets six main functions: enabling the population and communities to meet their needs by integrating the values of solidarity; also enabling collective acknowledgement of the possibility of creating a different kind of economy; promoting the confrontation of neo-liberal economic strategies in the field; enabling actors to regain confidence;

enabling them to imagine and create new development strategies; and, finally, adding an economic component to the political movement for a different kind of globalization by demanding economic recognition. The creation of an alternative presupposes concerted action on the political, economic, social and cultural fronts.

As for the means required to build this alternative, she identifies three potential avenues. The first avenue consists in gaining recognition for the existence of these practices, since the pluralistic and scattered nature of these local initiatives is a weakness that underlines the importance of taking action to increase visibility in communities and of creating strong, national and international networks. This first issue is primordial, since access to the means for developing and stimulating the growth of social economy agencies cannot occur without this basic recognition. Secondly, the author suggest that it is important to take up the challenges inherent in the development of social economy agencies, such as the need for access to capital, the market, training and to research and development tools. Finally, she proposes that social economy agencies should intensify their efforts and, rather than being content to stay on the margins, should expand their sphere of action using greater means, even if this entails confronting the private sector in its own sphere. She points out, however, that the objective of promoting the growth of the social/solidarity-based economy must be pursued without losing sight of fundamental principles, by learning from past mistakes and by ensuring that the process remains transparent.

Finally, in her view, this “different kind of globalization” cannot occur exclusively in one sector, but rather there must be a dialogue enabling the various movements to understand each other’s practices and mutual perspectives. She proposes two partnerships essential to the development of an alternative. Firstly, the reliance on social movements based on values of solidarity. Secondly, she underlines the importance of working together to deepen reflection on fundamental questions such as the role of the State and of the market, of relationships between the North and the South, or between men and women. In short, the importance of research and debate on these issues is central to the players, who are working to develop a credible, concrete alternative.

III- The Issues and Perspectives of the Social Economy as a Pillar of an Alternative Kind of Globalization.

Different problems, but shared overall objectives and challenges, such are the underlying issues for strengthening the social, solidarity or popular economy in the North and the South and the latter's capacity to favour the emergence of "another kind of globalization".

In the North, where liberal ideology creeps into all areas of social life, the new social economy must renew its political objective of promoting change and earn recognition as an actor in the development process by linking the economic to political, economic, social and cultural realities. In the South, the need to transform and reappropriate the development process leads to refocusing on local differences and contexts, by reappropriating the popular economy's concepts and adopting its social project. So there is a common objective of reinventing solidarity between the North and the South. As Yao Assogba states: "Citizen resistance develops in the face of the failure of the official economy and resides in developing local self-awareness expressed by exchange and solidarity networks which, using modern means of communication, develop another way of living together beyond traditional boundaries."

3.2. The Social/Solidarity-based Economy: Democratization of Development

Globalization is not an isolated set of processes: alongside, and often even opposing neo-liberal globalization we are witnessing initiatives that, while not constituting a worldwide sociopolitical force, have gone beyond the stage of exclusively local undertakings and have become part of a new kind of globalization that gives special importance to the fight against poverty through employment and the social safety net, as well as control of the environment and control of the economy by society.

The social/solidarity-based economy can therefore be seen from the perspective of its contribution to the building of new democratic models for development. But the idea itself of development has been the subject of serious debate for the past forty years and has generated visions that are extremely different and even conflicting. Given the failure of the Northern capitalist development model in the South, the failure and collapse of communism and the failure of national liberation movements and their "developmentalist" model, what is today's outlook for development?

In this new context, the social/solidarity-based economy can be considered first of all as a form of social mobilization based on needs (necessity), aspirations of populations (identity) and a blueprint for development (utopia). How can the social/solidarity-based economy be the expression of a potential for new forms of political regulation, identity and social applications? How can the social/solidarity-based economy be: 1) a creative response to the needs of populations; 2) a contribution to the redefinition of democracy; 3) a step towards the renewal of the social safety net and the social and economic policies of governments? What can we learn from historical examples of such an economy (a history that dates back to the 19th century) and the theory underlying it, in societies both in the North and the South?

Guest Speakers ³ (October 10 Round-Table Discussions):

- **Patricia Amat y Leon (Peru):** De lo Cotidiano a lo Publico: Visibilidad y demandas de género
- **Lucille Manoury (France):** Social/Solidarity-based Economy and the Economie solidaire et Democratization of Development
- **José Luis Coraggio (Argentina):** Problematizando la economía solidaria y la globalización alternativa
- **Benoît Lévesque (Québec/Canada):** Social/Solidarity-based Economy in a Context of Globalization: Towards a Plural Democracy

The four speakers addressed the issues above from different angles: Lucille Manoury spoke of the role of the social/solidarity-based economy in the democratization of development; Benoît Lévesque examined the

³ Patricia Amat y Leon, sociologist, OXFAM **UK**, Peru; Lucille Manoury, political scientist, Collège coopératif d'Aix-en-Provence, France; José Luis Coraggio, economist, Universidad del General Sarmiento, Buenos-Aires (Argentina); Benoît Lévesque, sociologist, CRISES, Université du Québec à Montréal (Quebec/Canada).

forms of democracy at work in a social economy and in society in general, and introduced the idea of the need for a plural democracy; Patricia Amat y Leon focused on the role and activities of women, and the relation between enhancement of their role and the creation a specific women's sector; lastly, José Luis Coraggio gave a critical analysis of the role of the social/solidarity-based economy in the global economy and the problems inherent in a transition to an alternative based on such an economy.

(photo)

From left to right: Laurent Fraisse (IRES-France), Humberto Ortiz Roca (GRES-P-Peru), Gérald Larose (GESQ-Québec), Lucille Manoury, José Luis Coraggio, Patricia Amat y Leon, Benoit Lévesque.

I- Context

The present political context is marked by much debate over the impact of neo-liberal globalization. Benoît Lévesque makes a conceptual distinction: he believes that it would be more accurate to talk simply about globalization, which refers to a process that reveals the dilemma between a world economy that is either market-based or solidarity-based. As for the impact of globalization, the authors agree that it has led to increased exclusion and is characterized by a withdrawal of the welfare state. Furthermore, Patricia Amat Y Leon points out that the impact is particularly felt in Latin America, where thirty years of structural adjustments and submission to neo-liberal policies have led to not only social problems but a strong feeling of uncertainty as to the future. She maintains that the present dilemma for governments in responding to the demands of their citizens is to steer development either in the direction dictated by neo-liberal policies that take little note of the opinions of their citizens or in the direction dictated by those opinions.

Along with neo-liberal globalization, we are witnessing other changes. For example, Benoît Lévesque notes the current resurgence of a solidarity-based cooperative tradition, a continuation of ideas developed during the 19th century, in the form of a reinvented social economy (new social economy) in a time of resistance to worldwide –no longer simply national– capitalism, and experiments aimed at building a new model for development. The context of neo-liberal globalization, the corollary of which is an array of social problems, such as increased unemployment and exclusion and the reduction of community services, **paradoxally provides fertile ground for initiatives towards a civil society** aimed at building a new model for development and a different kind of solidarity-based globalization that would be more than simply a stop-gap measure.

II- Concepts

There are two key elements in an analysis of the social economy and its contribution to the democratization of development: social economy and development.

Social Economy

The social economy is a wide-ranging concept whose definition varies from one author to another. José Luis Corragio's definition of the "socio-economy" is based on three elements: a critique of a single line of thinking, concrete action and social utopia. Benoît Lévesque sees the social economy as a component of the general economy that acknowledges social issues through the implementation of certain rules and a respect of certain values. While social issues are a factor in any economy, the importance of those issues is clearly reflected in the way a social-economic enterprise is run (democracy) and its social externalities. In his opinion, the social economy is part of the plural economy. In defining social economy, he makes a distinction between market-based and non-market-based activities and takes into account two criteria, namely necessity and aspirations.

Four Main Types of Social Economy

<i>Social Economy</i>	<i>Social Econ. Driven by Necessity</i>	<i>Social Econ. Driven by Aspirations</i>
<i>Non-market-dominated (social development)</i>	Community kitchens	Day-care centres
<i>Market-dominated (economic development)</i>	Employment-integration enterprises	Labour cooperatives

According to Lévesque, the four types of activity cannot be hierarchized, since, for example, necessity-based initiatives are often driven by aspirations and both can serve as laboratories for learning about active citizenship. A truly progressive vision acknowledges and promotes the four dimensions (market/non-market and necessity/aspirations) as part of a common collective goal.

Development

Lucile Manoury sees development as part of a broader evolution that has taken place historically over a relatively long period of time. She maintains that certain events and themes have contributed to changing how development is directed: going from an approach based on growth (GNP) to one based on improving living conditions (health, education, etc.). With the introduction of the human development index (HDI) by the United Nations Development Program, development will be viewed as covering human costs through essential needs. The Copenhagen Summit in 1995 saw the introduction of a vision of development that focuses on the distribution of resources and social development, as well as the realization that a market-

based economy is incompatible with what is required for such development. She concludes that 50 years later a consensus has been reached that development involves certain elements, such as endogeneity, participation, social issues, the human component and equity.

III- Social Economy and the Democratization of Development

Lucile Manoury introduces the idea expressed by Polani according to which there can be no economic development without political democracy. She maintains that political democracy has been in a state of crisis on various levels over the past 20 years: a crisis in democratic participation that has led to the emergence of unconventional forms of participation and the recognition that formal rights do not guarantee the absence of social breakdown. This crisis has led to an ongoing process of emergence of new aspirations and forms of basic democracy in which the social economy can play a role. According to Manoury, two distinct challenges exist in the South and the North: whereas in the North there is a desire to promote the visibility and recognition of the social/solidarity-based economy, in the South it is the action of the players involved that will lead to the democratization of development based on the principles and values inherent to the social economy that serve as a guide and democratic example: freedom of association, democratic administration (one person, one vote), the non-profit principle (collective capital and distribution of surplus funds), the member-user principle, cooperative member education (training in democracy) and the principle of inter-cooperation.

Benoît Lévesque explores the question of democracy in socio-economic enterprises, stating that democracy is the *sine qua non* condition of their existence, that differentiates them from other organizations. He believes that there are four possible forms of democracy, each with their own restrictions: representative democracy, which promotes individual choices, but can produce certain forms of exclusion and a gap between citizens and elected officials; social democracy, where the sum of collective interests represents the general interest, with the risk of generating corporatism; direct democracy, which encourages participation with no intermediary but that does not verify the decision-making capacity of its participants and can serve as a platform for abuse of power by the professional class; and lastly, deliberative democracy, which offers the possibility of choice and reconciliation of individual interests and the public good through democratic debate, hence the importance of information and the need to create public spheres of social dialogue.

Forms of Democracy

<i>Forms of Democracy</i>	<i>Means</i>	<i>Radicalization</i>
<i>Representative Democracy (Institution)</i>	Representative authorities Choice of elected representatives Basis: individual interests Vote and majority rule	Generalization of the categories of persons eligible to participate
<i>Direct democracy (Organization)</i>	Absence of mediation Direct participation Interests expressed directly	Generalization of the levels and sectors where the right to participate is granted
<i>Social democracy</i>	Discussion between the main social players who represent the public interest Voluntary associations and membership groups Mobilization	Promotes the organization of groups and the expression of persons who share common social conditions
<i>Deliberative democracy (Process and formation)</i>	Discussion and discursive dimension Public spheres apart from immediate interests Free expression by all Objective: identify a higher justifiable public good	Promotes discussion Procedures that lead to the expression of well thought-out and socially valid preferences Collective learning

The advantages and disadvantages inherent in each of these forms of democracy force us to consider a plural structuring of democracy with parallel radicalization of each of the forms. This radicalization must occur on three levels: the introduction of democratic doubt (refusal of exclusive forms), hybridization of the forms of democracy and radicalization of democratic participation. The latter aspect involves, for example, in the case of representative democracy, stimulation of discussion and collective learning. In order for such a plural democracy to flourish, an institutional context of state decentralization and organizational autonomy must be present, as well as an acknowledgement by public authorities of their contribution to the development of an active citizenship and the common good. According to the author, the social economy replaces neither the redistributive role of the government nor the massive production of the private sector. Its contribution is rather to bring about social and economic democracy. That is why the social economy must take seriously the democracy within it and rise to two challenges: in a necessity-driven social economy, there is a risk of confining democracy to caregivers and professionals, whereas the aspiration-driven social economy must allow for the confrontation of various undertakings rather than imposing one at the expense of the other.

According to José Luis Coraggio, there is even more to be accomplished in the South in terms of the democratization of government and the implementation of a participatory democracy. The social economy will have to look to new players, social authorities and democratic processes in order to rebuild the State from the grassroots, but not exclusively, since the reconstruction of a strong civil society cannot take place in the South without the reconstruction of national governments. Furthermore, Patricia Amat Y Leon is of the same opinion, stating that democratization must occur at the national government level, which also implies changes in the global rules that affect national policies and create spheres of development for the average citizen.

IV- Critical Reflexions on the Subject

The Role of Women

According to Patricia Amat y Leon, a democratic perspective of development must incorporate various issues (women, Aboriginal people, etc.) and democratic initiatives apart from those of one's country or locality in order to develop a global movement. She examines the everyday life and role of women as bearers of public demands, and the fact that a culture of discrimination and domination is found in economic relationships at the household level. The Lima Declaration, drafted during the First International Meeting in 1997, speaks of the importance of emphasizing the role of women. It states that the junction between the growth of women's movements and community-based movements, in the form of social cooperatives, and the recognition of women's rights in the various undertakings, are challenges that are essential to grassroots movements in Latin America. Lastly, the solidarity-based economy should also take into account gender issues because the participation of women and the inclusion of gender visions are not only applicable to human development; they constitute a process that facilitates the reduction of constraints and the integration of people into the development process. The specific agenda of women would therefore enhance the approach taken in the social/solidarity-based economy.

Implementation Challenges

José Luis Coraggio considers that, based on the Lima Declaration, the social/solidarity-based economy can be interpreted in three ways: the social economy as a substitute for the market economy, which poses the problem of transition; the social economy as reform, which brings with it the difficulties involved in transition to new forms of regulation; and the social economy as a complement to the market economy, which legitimizes it while at the same time integrating it into the capitalist plan. Based on these interpretations, he identifies several problems posed by the implementation of a social economy with

development as the aim. The first is with respect to participation and problems of continuity, informal power struggles and the necessity of linking enterprises to the material interests of the people. He states that the challenge consists of avoiding predestined projects and instead encouraging critical discussion of the enterprises' interests, values and forms of solidarity. The second concerns the culture of dependence vis-à-vis financial backers or support agencies, which underlines the importance of drafting clear contracts at the outset and encouraging a gradual decrease in dependence towards a goal of autonomy. The third involves the relationship with the market. One must avoid associating the market with capitalism since the market is plural (and includes such things as barter, for example), which precludes situating the social economy between government and the market. The author maintains that the development of a social economy at the global level cannot occur without the inclusion of forms of domestic markets. The final problem involves that of situating socio-economic organizations between private and public enterprise, which implies that they use the market without being controlled by its logic and they compete with enterprises of the other two sectors without adopting their criteria, visions and values.

V-Resist and Build

In conclusion, Benoît Lévesque believes that today's challenge is to tie local initiatives in with the battle against neo-liberal globalization through the consolidation of democracy. "Resist and Build" requires a convergence between development initiatives of the social economy and the fight against globalization. This means that an approach must be taken that includes a broader vision and a blueprint for society based on a plural democracy.

3.3. The Social/Solidarity-based Economy and Social Movements

In present-day globalization, various players intervene, adopting the neo-liberal stance or taking an alternative direction. On the one hand are large multinational corporations, governments operating under the umbrella of the UN, and various economic and political organizations affiliated with the UN in varying degrees (IMF, World Bank, UNDP, ILO, etc.). On the other hand are a group of more or less independent social forces that have begun interacting with those bodies, providing resistance and counter-proposals to neo-liberal globalization. World dynamics must now reckon with social forces that are independent of governments, big business and large UN institutions. These include environmental organizations, women's groups, human rights organizations, trade unions and cooperatives. The introduction of solidarity into the economy is closely associated with the strength of these social movements and their penetration into the economy on the international scene as well as at national and local levels.

Organizations in both the North and South and international North-South cooperative efforts have felt the adverse effects of neo-liberal globalization and are faced with great uncertainty. But the present crisis has created new space for social innovation, particularly in the area where social issues and economic issues overlap, which is the case of the social/solidarity-based economy. What is the role of social movements in the present-day context and with respect to these initiatives originating in the social/solidarity-based economy? Are they ready to embrace the ensuing change in strategies and policies?

Guest Speakers⁴ (October 11 round-table discussions)

- **Patrick Develtere (Belgium):** Civil Society, ONGs, Tertiary Sector, Social Movements and the Social Economy: Conceptualization in the North, Relevance to the South?
- **Abdou Salam Fall (Senegal):** Derem ak ngerem. Le franc, la grâce et la reconnaissance. Les ressorts d'une économie sociale et solidaire en Afrique de l'Ouest.
- **Margie Mendell (Québec/Canada):** The Globalization of Solidarity.
- **Alfonso Cotera (Perou):** The Solidarity-based Economy: A Contribution to the Emergence of a Public Space for Social Dialogue and Citizen Participation.
- **Ray Brownley (United States):** Why Faith-based Community Development?

To address these issues, the four speakers each examined different aspects of the problem: Marguerite Mendell analyzed the post-Seattle emergence of global social movements and the resulting resist/build dynamics; Patrick Develtere reflected on the actual concept of the social/solidarity-based economy; Abdou Salam Fall examined the gap between the reality of the social/solidarity-based economy in West Africa and the absence of this concept in the local culture; Alfonso Cotera presented the evolution of social movements in Perou and the contribution of the social economy to the emergence of a public space

⁴ Patrick Develtere, sociologist, Institut du travail, Université de Louvain (Belgium); Abdou Salam Fall, sociologist, IFAN, Dakar (Senegal); Ray Brownley, urban planner, New Jersey (U.S.A)

for social dialogue and citizen participation in the last twenty years; lastly, Ray Brownley presented the reasons for and impact of the religious community taking on the responsibility of social development.

I- Context

Marguerite Mendell maintains that the present context of neo-liberal globalization is the product of a historical process. The Keynesian idea of the welfare state of the 1930s and the Bretton Woods system was not only a social instrument, but an acknowledgement of market instability. However, since 1970 governments have abandoned their commitment to social programs to focus on the priority of balancing their budgets. The oil crisis and stagflation of the 1970s opened the door to a neo-conservative offensive that reached its peak in the Reaganism and Thatcherism of the 1980s. According to Mendall, the reregulation that occurred in the 1990s after a series of financial crises is more the result of *ad hoc* corrective measures than actual changes, but still illustrates the failure of neo-liberalism that has led to nothing but financial problems and exclusion. For example, in the case of West Africa, Abdou Salam Fall maintains that the consequence of these policies, based on a logic of domination and plundering, has been to weaken human values, jeopardize social policies and portray profit as the ultimate economic goal.

(photo)

Abdou Salam Fall (Institut fondamental d'Afrique Noire - Senegal) and Margie Mendell (Concordia University - Québec)

Developing parallel to today's neo-liberal hegemony is the emergence of a new dissident voice first heard in Seattle. According to Marguerite Mendell, this movement stands out because it practices a non-institutionally-based policy and constitutes a core of progressive forces that are relatively heterogeneous, but that advocate the mobilization and organization of various groups on common ground in order to deliver a powerful message. Mendell maintains that the Seattle demonstrations had an important impact because they questioned the ability of governments, international institutions and multinationals to control the global economy without democratic consultation. This countertrend is also characterized by its critical view of client-centred government policies. In contrast, these groups are committed to shaping an institutional context of community-controlled development, which more or less explains the renewed interest in the cooperative movement and utopic communities. Furthermore, according to Abdou Salam Fall, there is renewed interest in the social/solidarity-based economy that reiterates the urgency for a paradigm shift in

wealth-creating processes. In addition to reflecting the failure of the neo-liberal model, the social economy highlights the capacity for innovation of the new sectors and new players.

II- North-South Relations and Conceptual Challenges

The emergence of a globalized social movement is occurring simultaneously in the North and the South in the form of experimentation with diverse alternatives. Patrick Develtere reflected on the various concepts that explain this new reality and on the problem of defining such a reality.

(photo)

Patrick Develtere (Belgium)

In order to avoid falling into the trap of European chauvinism, a survey was conducted of economic players and researchers in the South as part of the STEP⁵ program sponsored by the International Labour Office. The survey revealed a number of recurring ideas regarding the contribution of the grassroots sector of society: the historical coincidence of the emergence of the grassroots movement in various countries, its contribution to a more just society, the convergence of a democracy-based blueprint for society, to name just a few. However, the concepts used to describe grassroots movements are ambiguous and we tend to transpose Northern concepts on the South. Yet two concepts provide stimulating discussion: the concept of "social movement", which implies the existence of a blueprint for society, whereas many initiatives have none based on their own experience; and the concept of "social economy", that must be reinvented in the South and in the North, however, to avoid falling into the simplistic trap of assuming that the North and the South have evolved concordantly.

The first question relative to social-economy initiatives therefore centres on two hypotheses relating to the conditions for their emergence: such initiatives will spring up among groups whose needs are not being met (a condition based on necessity) or will appear in groups that are bound together by a collective identity or a common destiny (a condition based on social cohesion).

The other conceptual question is highly important from the international perspective and concerns how the social economy is situated vis-à-vis government and the private sector: the social economy will constitute a distinct sector that will emerge where the other two fail, or will develop in opposition to them (the two

⁵ Social Tools against social Exclusion and Poverty (STEP)

other sectors have to exist and function as described above). This type of approach suggests a kind of equilibrium between the three sectors and little interaction on the part of the social economy with government and private enterprise. But one must bear in mind that 1) the social economy is not homogenous – socio-economic initiatives have diverse origins, characteristics and goals over and above their opposition to the two other sectors; 2) the social economy is not compartmentalized, but rather is in constant interaction with the two other sectors.

The concept of social economy was originally expressed in Western countries and has therefore been coloured by that context. Studies show that innovative forms of social organization are emerging in Southern countries, but one must be prudent in transposing the concept of social economy onto two realities, the North and the South, that remain relatively distinct.

III- Social Movements and the Social/Solidarity-based Economy: Two Examples

1) The Social Economy as a Rallying Force in West Africa

According to Abdou Salam Fall, the players involved in development make little mention of the concept of a social/solidarity-based economy, but social-economic practices are very important in both urban and rural Africa. These practices must be adapted to each region's historical context; in the past the economy has been extraverted and responded to the needs of the colonial metropolis, which is still the case in post-colonial governments. Structural adjustment programs and the withdrawal of the State and a structured economy have underlined the importance of the players in the informal economy, present well before the crisis, but whose role in economic development has been largely ignored by both researchers and governments. According to the author, recovery from the crisis through everyday resourcefulness has created unsuspected reservoirs of wealth. Thus today it is the sectors that are less regulated and less funded – and therefore less dependent on government – that offer avenues for economic redistribution and revitalization.

The concept of a social/solidarity-based economy opens up a vast arena composed of players in the grassroots economy, informal economy, social movements, etc. A multi-faceted concept that has an inherent integrating quality, it is closely linked to small-scale entrepreneurship that, while extending its scope of activity, remains relatively limited in size and seeks to accumulate with the aim to redistribute. The social economy is also seconded by an important feeling of community in which groups find a sense of identity. It is an economy that is highly reliant on networks where acquaintance-based trust is the driving

force. It is composed of economic activities that have grown out of a business tradition present in unregulated sectors where wealth is created based on lineage, ethnic groups or religious brotherhoods. This process of social accumulation therefore restores the players to their membership groups. Such an economy is not encumbered with the norms of the standard economic model and mobilizes players who develop their activities based on their relationships. It is a system of community-based social empowerment that generates a wide range of tangible and intangible gains, in addition to being the ideal environment for the creation of new production and redistribution values. However, in West Africa networking is difficult because of the ever-present factionalism. The question is to know whether application of a social economy will be successful in bringing together and integrating economic practices that are already relatively well-established in this region.

2) The Emergence of a Public Space in Perou

Alfonso Cotera gave an overview of the social movements that have appeared in Perou for over a century. The first was undoubtedly the union movement, which permitted the working class to come onto the countries' sociopolitical stage. However, since the 1970s, it has lost much of its ideological influence. The peasant movement developed primarily in the 1950-1960 period and was directed towards taking action in the fight for access to land. This led to agrarian reform by the Velasco government in the 1970s, but this reform failed because it was implemented in a bureaucratic, top-down manner. The rural exodus of the last forty years weakened the movement further. A third, urban movement developed following this migration, and mainly mobilized the poorest sectors. In the 1980-1990 period, this popular urban movement diversified its activity, notably through the massive involvement of women. As a result, it focused on questions such as access to health care and nutrition. Finally in the 1970s, the last movement to appear was much more cultural, integrating various social classes such as students, young people, "the poor-peoples' church", and intellectuals.

For a long time these movements were characterized by their collectivist vision, developing in close relationship with left-wing political parties and principally adopting a policy of confronting the State.

(photo)

Alfonso Cotera (Grupo Red Economia Solidaria de Pérou)

However, for the last twenty years, with the restructuring of the world economy and the revision of the capital-work relationship in favour of capital, these movements have been totally redefined. The first line of questioning concerns the link between the individual and society: citizens increasingly seek out horizontal organizations that represent their interests. There is a multiplication of networks favouring free and flexible participation and a pluralism of political involvement. The second line of questioning deals with the relationship between the State and social movements: the traditional unidirectional relationship in which the State represents the society and had a paternalistic relationship with social organizations has been transformed. With the crisis of the State and the fall of the Berlin wall, a non-State public sphere has emerged in which proposals for the renewal of democracy (direct, participative democracy, etc.) have developed. Rather than direct confrontation, this non-lucrative and participative space favours dialogue and cooperation, which permits the development of alternatives. Finally, the third line of questioning is the relationship between social movements and the market. This refers to the humanization of the economy, for example through consumer or ecology movements.

From this political and ethical perspective, which emphasizes the value of the person and favours his or her inclusion in society, the solidarity-based economy has established itself principally in relation to three issues: 1) local development, which aims to improve living conditions in a sustainable and integrated way for the members of a locality by strengthening the ability of people, groups, organizations and communities, notably through social economy trade circuits between the different sectors of production, services, consumption and with the local authorities; 2) building citizenry and a democracy that permits participation in decision-making; 3) finally, the central role of the social economy in the globalization of solidarity through an international strategy that includes economic and social actors from various localities, regions and countries.

3) Religious Movements in the Fight Against Poverty

Ray Brownley has studied, based on the American experience, the role of religious movements in community development. According to Brownley, these movements have developed as a result of the emergence of a third non-governmental sector that is based on humanist and philanthropic values and that is involved in the fight against poverty. He gives several explanations for the importance of this sector in the struggle against poverty, including the fact that religious values promote helping the poor, and religions place emphasis on individual morality and responsibility. According to Brownley, faith-based community development carries with it a number of risks, such as: 1) the lack of expertise of those involved in the

organizations; 2) government authorities that may seek to control such associations to increase their electoral support; 3) funding from religious foundations may be granted based on discriminatory criteria or be accompanied by moral sanctions. Finally, the author states that this type of community development could potentially be divisive and carries the risk of being used as a stopgap measure in the face of State de-responsibilization or as a means for governments to transfer tax-exempt funds to their political allies.

(photo)

Ray Brownley (University of Albany – USA)

IV- The Relation Between Social Movements and the Social/Solidarity-based Economy

According to Marguerite Mendell, social movements have emerged as a means of opposition to neo-liberal globalization and have, like the women's movement and ecological movements, succeeded in influencing government agendas within a short time. This worldwide resistance movement, that has spread as a result of communication technology, among other things, has several victories to their credit: the failure of the Multilateral Agreement on Investment (MAI), the addition of certain issues to government agendas and an increase in public awareness regarding important issues – even if the public is less aware of meetings such as the one held at Lima. She maintains that such social movements will be effective if they succeed in inventing new democratic practices (such as the participatory budget policy in the municipality of Porto Alegre, for example) and in creating a citizens' agenda that develops alongside dominant policy debates.

Alongside these protest groups, a sector of institution builders is coming into play – a sector that has succeeded where governments or the market have failed and that is based on mesoeconomic development supported by negotiations with government, the private sector and progressive groups. According to Mendell, this sector is well-represented by the social economy and constitutes a microcosm of the struggles for the expansion of democracy. There are, however, various points where these organizations and protest movements disagree. The latter consider that the social economy is either casting its net too wide and is unacceptable as an alternative, or that it is too limited and becomes an instrument of privatization and third-sectorization. She believes that solidarity between the two is only possible if these misunderstandings are resolved and translate into initiatives that are the result of a partnership-based approach. She therefore maintains that institutionalization of the social economy by governments becomes a victory for those who aim to demonstrate the capabilities of such an economy. Solidarity between social movements and the social economy therefore presupposes solidarity between resistance and building

based on the common goal of implementing a democratic economy through battles fought simultaneously on several fronts. At the international level this solidarity translates into the development of the social economy as a concept that brings together initiatives that populations of the South must re-appropriate.

(photo)

Abdou Salam Fall announcing the Dakar Conference of 2005

4. DECLARATION OF QUEBEC AND CHALLENGES AND PRIORITIES IDENTIFIED IN WORKSHOPS

1. The Social/Solidarity-based Economy and a Different Kind of Globalization

1.1 Faced with the absence of regulation of the world economy, faced with massive poverty that leads to the exclusion of an increasing segment of the population, particularly women and children, and faced with threats to the planet's ecological balance, counter-trends are emerging to which we identify. We are citizens who are initiating projects that are taking shape in the innovative climate created by a time of crisis. These initiatives correspond to the definition of the social/solidarity-based economy given in the Lima Declaration:

The social/solidarity-based economy is based on cooperation, sharing and collective action. This perspective puts people at the heart of social and economic development. Economic solidarity is based on an economic, political, and social project that introduces a new way of doing politics and of establishing human relationships based on consensus and citizen action.

1.2 In many respects, the social/solidarity-based economy is engaged in developing innovative responses to problems raised by globalization. It is helping develop a new way of experiencing and thinking about the economy. Through tens of thousands of projects, the civil society is being rebuilt, particularly by the associational movement in the North and the South, each translating, in its own way, the desire for another globalization.

1.3 We consider that local development, the social/solidarity-based economy, as well as a healthy civil society are among the pivotal concepts of development. These statements of identity by communities help redefine development. They establish new institutions, new avenues for action, and show how local initiatives can have an impact on development processes at the national, and international level.

1.4 The movement is embryonic, very diverse, and heterogeneous. Not all of its strategies are convergent, and its stances are frequently defensive. Political resistance is being vigorously asserted, forcing major institutions and States to amend the directions proposed by the major promoters of neo-liberalism.

1.5 But it is also making proposals. Avenues are emerging that must be explored by relying on the desire of these networks and organizations to find solutions to concrete problems as they arise. The time seems right to work together towards the common goal of democratizing development. The social mobilization that occurred at Seattle and Porto Alegre are symbols of a two-pronged strategy, the components of which are not mutually exclusive, but can actually strengthen each other: 1) political resistance and the necessary organization of counter-powers; 2) building a new pole for development so as to promote the principle of solidarity within the economy as a whole.

1.6 These social movements have long-term potential because the desires for an active citizenry are being more explicitly expressed in the political arena; because certain States and international institutions support them; because ties between traditional social movements and new social movements are being consolidated; because worldwide real-time communication is made possible by the new information technologies.

1.7 This energy allows strong expression of alternate proposals and projects concerning major international challenges, and the appearance of new forms of international cooperation.

(photo)

Humberto Ortiz Roca, of GRESP, reading the *Declaration of Quebec*

2. Our Priorities for Another Globalization

We want the social, solidarity-based economy to be involved in:

- 2.1 mastering the world economy;
- 2.2 respecting and protecting the environment
- 2.3 mastering the transformation of employment, work, and social production;
- 2.4 analyzing and altering the interaction between the neo-liberal economic order and the patriarchal order;
- 2.5 democratizing development.

To this end, we have identified the challenges common to all sectors of activity, and those challenges specific to the major areas in which we are involved.

3. Challenges Shared by all Aspects of the Social/Solidarity-based Economy

- 3.1 In both the North and the South, we need to deepen the identity of the social/solidarity-based economy in terms of shared values and a political project of democratization in partnership with the State;
- 3.2 The potential of women's initiatives in the field of the social/solidarity-based economy to foster change must be highlighted and used in the development of a new model of social organization and of development;
- 3.3 Each of the identified priorities includes issues and practices affecting women;
- 3.4 The relationship to the State is problematical and needs to be clarified; it is different in the North and in the South and must be viewed in context:
 - in the North, the relationships between the social/solidarity-based enterprises and the State are strained, and there is a conflict between the need for autonomy and the need for these initiatives to be recognized;
 - in the South, the State is bankrupt and its absence puts the social/solidarity-based enterprises in jeopardy;
- 3.5 The social and solidarity-based economy does not only meet people's needs, but it is also an exercise in active citizenship;

- 3.6 We need democratic methodologies for the social/solidarity-based economy; appropriate indicators for the evaluation of the contributions of the various social actors must therefore be developed;
- 3.7 We need to recognize the structural nature of poverty;
- 3.8 The rules of the market weaken the ability of social/solidarity-based economy enterprises to develop because their goods and services must be competitive. Such organizations face the challenge of helping to democratize the market;
- 3.9 We must ensure that development is not measured by neo-liberal market indicators. We must develop indicators of development in line with the specific characteristics and values that define social/solidarity-based economies;
- 3.10 The will of the social/solidarity-based enterprises to cooperate with each other should be translated into concrete action; they should be encouraged to establish networks to avoid competition. Cooperation between the various sectors of the social/solidarity-based economy should also be promoted;
- 3.11 The social/solidarity-based economy must recognize that development is only meaningful when it respects public health and the environment.

4. The Challenges Specific to Each Area of Intervention

4.1 The social/solidarity-based economy and financing for local development

- 4.1.1 The democratic management of social/solidarity-based economy funds; the population must retain control of financing and be helped to develop their own capacities to achieve this goal, including the use of complementary modes of financing, such as time banks and local exchange trading systems;
- 4.1.2 The accessibility of funds for the social/solidarity-based economy; sufficient funds must be available, and the access and evaluation criteria must be consistent with the social/solidarity-based economy. To ensure the accessibility of such funds, alliances with social movements that have the power to obtain financing – such as the union movement and co-operatives – must be strengthened. We must also build and expand North-South partnerships in the fields of micro-credit and investment;
- 4.1.3 The differences in public sources of financing between the North and the South; the government does not always intervene in the social redistribution of wealth in the South.

(photo)

4.2 The social/solidarity-based economy and local development

- 4.2.1 The participation of populations is the key for the social/solidarity-based economy in terms of local development; participation means having a voice, organizing collectively and including marginalized communities;
- 4.2.2 In local development, the reintroduction of the social begins when local actors become mobilized and take on responsibility, and when solidarity is translated into action in terms of financing, production, market access, distribution, consumption;
- 4.2.3 In local development, the social/solidarity-based economy is subject to power relationships and to power-sharing: consensus-building with other groups in the community and negotiations with State powers demonstrate the political importance of the social/solidarity-based economy, especially for local governments, who must adopt and strengthen the experiences of the social/solidarity-based economy;
- 4.2.4 The social/solidarity-based economy needs to integrate local initiatives into a larger regional, national and international perspective.

(photo)

4.3 The social/solidarity-based economy and international co-operation

- 4.3.1 North-South co-development is based on the identification of mutual interests from which partnerships, the sharing of knowledge, and mutual learning about development occur in the context of fair trade practices;
- 4.3.2 Investments should be directed to concrete projects that meet objectives developed by actors in the South;
- 4.3.3 International co-operation and investments should take into account the problem of the foreign debt, which has a direct impact on the development potential of indebted countries.

4.4 The social/solidarity-based economy and proximity services

- 4.4.1 There is tension between the desire for autonomy when working in organizations with which we identify and the need to participate in joint efforts with other actors, which requires making compromises in relationships with the State and the market;
- 4.4.2 The recognition of women's work plays a decisive role, particularly in proximity services;
- 4.4.3 There is an issue in the passage from the private to the community sphere: on one hand, in the production of services stemming from the domestic sphere; on the other, in the transfer of production by private enterprise to collective initiatives.

4.5 The social/solidarity-based economy and public policy

- 4.5.1 In the North, the social/solidarity-based economy has achieved a certain level of recognition. The challenge is to ensure the autonomy of grassroots organizations and to develop collaborations in a conflictual context among actors with different identities;

4.5.2 In the South, the autonomy of grassroots organizations is already ensured for the most part, but they suffer from a lack of recognition; they must master the co-management of programs and the co-construction with the State;

4.5.3 It is important to build sustainable alliances to influence public policies.

(photo)

4.6 The social/solidarity-based economy and housing

4.6.1 Housing must be considered as an area in which social ties are rebuilt;

4.6.2 Housing projects should be developed that integrate other services that contribute to the development of communities;

4.6.3 The reduction in investments or the lack of investment by the State in the funding of housing must be denounced.

4.7. The social/solidarity-based economy and the transfer of knowledge

4.7.1 Participatory methodologies must be developed in order to go from the transfer to the sharing and the creation of knowledge; this involves publicizing initiatives, internships, etc.

4.7.2 The transfer of technology must be achieved without increasing social inequalities among the populations that adopt them;

4.7.3 Efforts must be made to ensure that real needs are met in an honest and equitable way;

4.7.4 Women must receive the financial support they require to participate in training.

(photo)

4.8 The social/solidarity-based economy and fair trade

4.8.1 Principles of equity should be applied to all aspects of commerce: production and fair distribution as well as ethical consumption;

4.8.2 Fair trade may cause disturbances in local development by changing the rules of local consumption or cause changes to local employment: the challenge is to learn to understand and manage these stresses;

4.8.3 The certification of fair trade products entails considerable costs and leaves little room for the certification of partners: the challenge is to develop a more participative certification process.

4.9 The social/solidarity-based economy and employment

4.9.1 We need to develop a global analysis of the job market;

4.9.2 We must develop dialogue between the North and the South in the fight against the increasing precariousness of work and to ensure quality jobs;

4.9.3 Social/solidarity-based economy enterprises in the field of social reinsertion must be an integral part of local development;

4.9.4 We must fight for the creation of meaningful work and to develop methods of protecting the workers of social/solidarity-based economy organizations.

4.10. The social/solidarity-based economy and the environment

4.10.1 The social/solidarity-based economy should contribute to environmental protection; we should respect the environment rather than trying to master it;

4.10.2 The responsibility for educating the population requires communicating information on these enterprises' ability to reduce, reuse and recycle;

4.10.3 Actors from the North and the South must take joint action and be vigilant with regards to the environmental impacts of multinational companies in the South;

4.10.4 We must change our consumption habits so that decisive change can occur in the environment on a global level.

4.11 The social/solidarity-based economy and art and culture

4.11.1 Culture is part of life, it gives meaning to our lives. Cultural production should reflect diversity; in so doing, it becomes a form of resistance against unidimensional thinking;

4.11.2 Social tourism developed by social/solidarity-based businesses in the North and in the South plays an essential role in achieving this objective;

(photo)

4.12 The social/solidarity-based economy and peace

4.12.1 The social/solidarity-based economy can play an important role in the peace and reconciliation process in communities in conflict, as has been shown in South Africa, Northern Ireland, the former Yugoslavia, Colombia and Peru;

4.12.2 The social/solidarity-based economy can act as an intermediary between parties by focusing the development process on the common interests to be maintained or restored to the community and the environment on which they all depend;

4.12.3 Social and environmental actions carried out in partnership or collectively by formerly conflicting parties can have a sustaining, reconciliatory and/or healing effect;

4.12.4 Since women are among the primary victims of war and violence, they are often the driving force behind the peace process; they should play a more visible and leading role in local development;

4.12.5 An inventory of best-practices from around the world should be made and distributed, and the economic causes that favour the emergence of conflict and violence should be better understood.

4.13 *The social/solidarity-based economy and agriculture*

The agricultural question must be integrated into the main areas of intervention of the social/solidarity-based economy, in particular the question of food security from a perspective of the distribution of wealth and of fair prices for agricultural products.

5. Coordinating our efforts internationally to support the social/solidarity-based economy networks.

5.1 We hope to set up a liaison commission made up of four (4) people to head networks in each continent: Latin America and North America, Europe, Africa, Asia and the Pacific. This decentralized commission will look after the implementation of the priorities defined at the Second International Meeting on the Globalization of Solidarity and will harmonize the continental networks. It will be responsible for setting up a technical team to support the international liaison process.

5.2 This international commission, backed by a technical team, will have the following tasks:

5.2.1 Communicate the debates, the expertise and the *savoir-faire* of social/solidarity-based economy enterprises;

5.2.2 Develop the expertise of these organizations and the networks that support them;

5.2.3 Support the creation of networks of social/solidarity-based economy businesses;

5.2.4 Make an inventory of the networks and provide support for the national networks;

5.2.5 Assist in the ideological fight for the social/solidarity-based economy, in particular by the inclusion of the social/solidarity-based economy in international forums.

5.2.6 Following the Lima and Quebec City meetings, help organize the Third International Meeting on the Globalization of the Solidarity, including obtaining financing.

6. The Third International Meeting on the Globalization of Solidarity Should Respect the Principle of North-South Alternation.

Following the debate in the plenary session, in conformity with the principle of North-South alternation, the participants at the Quebec Meeting look forward to attending the Third International Meeting on the Globalization of Solidarity in Dakar (Senegal) in 2005.⁶

⁶ The European participants approve the creation of a liaison commission for the preparation of the Third International Meeting on the Globalization of Solidarity. As for the committee's responsibilities and the composition of its delegation, the European participants will decide on this matter following a meeting open to other European networks.

(photo)

Humberto Ortiz Roca, du GRESP, lit la *Déclaration de Québec*

5. DECLARATIONS BY MOVEMENTS

(photo)

Assis: Marie-Hélène Méthé, Chantier de l'économie sociale du Québec, Marc Laviolette, CSN, Laurent Pellerin, UPA and Gérald Larose, GESQ

“Men and women earning a living from agriculture must be at the heart of the globalization of a social/solidarity-based economy.”

Québec, October 11, 2001

At a meeting held by the Union des producteurs agricoles (UPA), about sixty representatives of agricultural organizations agreed that agriculture should be the focal point of a social/solidarity-based economy.

According to Mr. Pellerin, President of the Union des producteurs agricoles du Québec (UPA), agriculture must be recognized not only as a vital economic sector but also as a human activity at the heart of social and solidarity-based initiatives. “It is essential that people earning a living from agriculture in the North and the South and the specific problems that impede their development be taken into account in the development and implementation of a social/solidarity-based economy project,” he pointed out on behalf of all of the participants attending this meeting.

“This project must give an important role to agriculture since food security is an absolute priority for every citizen of the world. A better distribution of wealth on a planetary scale is essential to ensure a universal application of this fundamental right, common to humanity as a whole.”

Convinced that collective action and networking will reinforce the demands by agricultural producers from the South, the UPA, through the work of its international development corporation (UPA ID), intends to continue to support training for peasant associations and pursue its training programs for agricultural leaders in Africa, Latin America and Asia.

(photo)

In the middle, Laurent Pellerin, President of the Union des producteurs agricoles du Québec

Furthermore, the UPA is convinced that, despite the scope of the difficulties with which peasant organizations in the South are confronted (agrarian reform, State debt, etc.), sharing and exchange of acquired experience could be beneficial for peasant organizations around the world. For example, from Mr. Pellerin's perspective, collective marketing is a model from which others can draw inspiration. Indeed, it is a realistic form of "fair trade" in as much as it permits a healthier relationship between the various actors in the food sector.

"Trade cannot be 'charitable'", concluded the spokesperson for the UPA. "Therefore to be truly fair, trade of agricultural products must also be economically viable. To ensure that all those who cultivate the land can hope to reach this objective, the necessary conditions must be met. This implies an unprecedented solidarity effort on an international scale."

The UPA invited the participants at the Second International Meeting on the Globalization of Solidarity to intensify concerted action on a planetary scale so as to establish a global social/solidarity-based economy project.

**DECLARATION OF REPRESENTATIVES OF ORGANIZED LABOUR
AT THE SECOND INTERNATIONAL MEETING
ON THE GLOBALIZATION OF SOLIDARITY**

***THE HISTORY OF THE SOCIAL ECONOMY IS CLOSELY TIED
TO THE HISTORY OF THE LABOUR MOVEMENT***

Québec, October 10, 2001

We are men and women who are battling on the labour front in nations of the South and of the North. We are union militants committed to the struggle for recognition of the fair value of work and the fight against unemployment, job insecurity and the many forms of discrimination in the labour market, particularly towards women. We are fighting for a better redistribution of our societies' jobs and wealth.

Throughout history the labour movement has been called upon to play a proactive role in development, to bring together the cause of union workers and the fight against exclusion and poverty, against the under-development and misdevelopment of our communities, and against the plundering of natural resources.

More than ever organized labour must continue to act both in and outside the workplace, extending its actions to the various aspects of the living conditions of people and communities, together with the other components of the civil society committed to social development and sustainable development.

Globalization of the economy, globalization of the markets, deregulation and privatization are realities claimed to be inevitable by promoters of neo-liberalism, who have now become the dominant voice. We, as union militants, strongly oppose domination of the market over the social realities and the life of our peoples.

We believe that social/solidarity-based economy experiments worldwide are also at work in everyday life, aiming at making the economy dependant on social and democratic imperatives. Indeed, the first experiments in social economy in the last century (credit unions, mutual societies, etc.) were the work of the labour movement designed to counter the effects of unchecked capitalism. The history of the social economy is closely tied to the history of the labour movement. We believe that union militants and social

entrepreneurs are both part of the same movement towards innovation and social change, and uphold the same values, namely justice, solidarity, democracy and the right to development.

(photo)

The social/solidarity-based economy must be seen an essential contribution to the broadening of democratic space. The present context calls for diversified strategies. In order for economic development to generate social development, we believe that strategies need to be deployed at several levels: through actions on the part of salaried workers and their unions in order to promote the democratization of company management and the organization of work; through the mobilization of local communities to provide them with the tools to take charge of their own development; and through the vigilance of the civil society and the pressures it exerts on government to take responsibility for the regulation of economic activity and the distribution of wealth.

We maintain that it is equally essential that solidarity be built at the international level aimed at opposing the intolerable disparities between peoples in order to bring about another kind of globalization – one that focuses on peace and the well-being of populations, respect of cultural diversities and the reinforcement of democratic rights. It is in this spirit that we are participating in the Second International Meeting on the Globalization of Solidarity.

In that same spirit, we support the proposal that the social/solidarity-based economy be coordinated at the international level. We are of the opinion that such an initiative would constitute an additional tool for increasing North-South dialogue and the exchange of ideas between all those who are fighting for worldwide solidarity.

**DECLARATION OF THE WOMEN'S CAUCUS PRESENTED AT THE SECOND
INTERNATIONAL MEETING ON THE GLOBALIZATION OF SOLIDARITY**

**THE EXPERIENCES OF WOMEN HAVE GREAT POTENTIAL IN THE AREA OF THE
SOCIAL/SOLIDARITY-BASED ECONOMY; THAT POTENTIAL MUST BE MORE
VISIBLE AND BETTER RECOGNIZED**

Québec , October 9, 2001

(photo)

As a result of this meeting, attended by approximately fifty women from several continents, the women's caucus agreed on the following points:

- ◆ The women's caucus demands that since the experiences of women have great potential in the area of the social/solidarity-based economy, that such potential be more visible and called upon in developing a new model of social organization and development.
- ◆ The women's caucus demands that an important fifth direction be added to the main directions taken by an international coordinating body for a different kind of globalization: "the role played by the social/solidarity-based economy in the analysis and transformation of the interrelation between the neo-liberal economic order and the patriarchal order."

The women's caucus acknowledges the importance of the thirteen priorities set for 2001-2006. In the present report, however, we demand that each of the priorities specifically include issues and practices that affect women.

- ◆ Lastly, the women's caucus deplores the lack of female representation at the present meeting, particularly in the organizational aspect. As a result, the women's caucus demands that gender parity be respected in any initiative or organizational aspect involved in the present meeting and its future activities.

For the same reasons, the women's caucus also demands that each of the continental delegations that will meet together on October 11 be made up of six members, including three women.

6. ACCOUNTS GIVEN BY POLITICAL REPRESENTATIVES AND REPRESENTATIVES FROM LARGE ORGANIZATIONS AT THE 2ND INTERNATIONAL MEETING IN QUÉBEC⁷

By Louis Favreau and René Lachapelle

The Second International Meeting on the globalization of solidarity in Québec in 2001 gave elected officials and the representative of large institutions the opportunity to speak. Their comments illustrate well that States and international organizations recognize the "law of proximity" to reach populations and the value of civil organizations mobilizing around development and social and solidarity-based economy initiatives. Failing to have their texts, we chose to give a brief account in the following text.

The presidents of the first and second meeting.

Humberto Ortiz, representative of Grupo Red Economía Solidaria del Perú (GRESPE), the organization that held the first International Meeting in Lima, traced a rapid assessment of what occurred since (1997-2001). "We work more in networks on an international level, said he, but our level of organization is insufficient on this scale if we want to come to a better recognition in this other way of doing economic development".

On his part **Gerald Larose**, president of the *Groupe d'économie solidaire du Québec*, gave at least seven reasons that make another globalization possible by bringing out the main currents of the key text from the meeting presenting the international economic situation and whose heading is "To resist and build". He ended his comments by asserting that it was necessary henceforth not only "to act locally and to think globally" but also "to act globally and to think locally".

The political representatives of Latin America, Europe, North America and Africa **Roberto Rodriguez**, president of the International Cooperative Alliance (ICA), referred to the present situation caused by political instability doubled by economic stagnation in several countries. This according to him constitutes serious threats to democracy and peace. How do we get out of this? Having chaired a big social economy international institution, he said that some people at one time thought that cooperatives could represent a third route between market economy and planned economy. However, with the fall

of the Berlin wall in 1989, order changed. On an international scale, there is no longer a first route and second route: "We are forced, in a sense, to rethink development in new terms". Cooperatives participate in this renewed model of development as the new wave of cooperatives emerging throughout the world proves. "It is on a community base, he asserted, that the problems will be resolved and a dominating role comes back to cooperatives thanks to their philosophy of solidarity. "He then evoked that cooperatives bring together eight hundred million people on the planet: If each recruited three others, the world would count about two and a half billion partisans of an economy of solidarity.

Lorraine Guay of the World March of Women invited the joining of "protesta" and "propuesta". "The current economy is racist, sexist, destructive of the environment and warlike," she declared from the outset, adding, "The world is blind to sexism". The economy of everyday life is an "economy of human relations" which questions "the notion of productivity" - at the heart of so many activities without any social profitability, in depth. She invited the assembly to place at the heart of their activities "the fight of the being and of living together" in order to introduce into the economy the "stakes of responsibility and solidarity" for which solutions exist as proven by fair trade.

For his part, **Mgr. Lapierre**, Bishop of Saint Hyacinthe, pleaded, "the poor know how to organize. They knew how to develop an informal economy, which allows them to live and to survive." He called for globalization from the bottom, by the working class, in the countries of the South from this economy of survival where creativity and solidarity existing in basic communities can become, if it obtains the necessary supports, a social and solidarity-based economy. "This new context, said he, invites us to find the best parts in large religious traditions of humanity" which suggest, each in their own way, how to live together. "We dream of a new world order. We can wonder if the key is not solidarity." He ended by asserting, "The other globalization is a powerful sign of hope".

For his part **Miguel Azcueta**, the former mayor of Villa el Salvador, a shantytown of 350,000 inhabitants in the suburb of Lima, Peru, pleaded, "Peace is a part of the new globalization that we want to build". Artisan, from the very beginning, of the transformation of this shanty town into a municipality that co-

⁷ We remind the readers that the presentations were strongly tinged by the major event of September 11, 2001 since the 2nd International Meeting was held only a few weeks following the event.

produced its services with the district associations systematically organized over the whole territory, he strongly asserted that social and solidarity-based economy and local development represent the key elements of this construction.

Moussa Konaté, a local development project manager in Mali, told us quite simply what a wise person, of his village had passed on to him before his departure for Quebec, revealing his intuition of the conditions for a solid internationalization of the social and solidarity-based economy for the whole planet: “To see each other once is better than a thousand messages”.

Guy Hascoët, State Secretary to the economy of solidarity in France, insisted on the necessity, not only of resisting, but also especially of constructing. He reiterated his conviction as to the major role that civil society plays “in the intelligent organization of goods and services for families and communities”. “If social and solidarity-based economy has an eminently local and territorialised dimension, said he, it needs to be in keeping with the general dynamics since its development is inseparable from national and international democracy. It is inseparable from democratic victories.” He considers urgent “that social and solidarity-based-economy sectors be recognized by the UN as one of the components of civil society” and as most important that authorities such as the World Trade Organization “hear the demands on fair trade before taking decisions that carry such weight on the destiny of people”. The social and solidarity-based economy must therefore work to obtain its recognition under the political rights of each nation and international rights: “Market interest must not contest the rights of the social and solidarity-based-actors to take their place”. To avoid that the people of the South do not resent the countries of the North, “we must promote the emergence of voluntary, cooperative and mutualistic forms so that these countries may master their economy. Otherwise, he concluded, we choose a strategy of tension that will lead to war.”

Pauline Marois, Vice-Premier and Minister of Finance, spoke for the Québec Government as the social economy official. She maintained that if the birth of social economy is local, its challenge is on a world scale and that during this time of turbulence, we must count on social economy more than ever. “We can see it, the social and solidarity-based-economy sector has real potential for development and can contribute to establishing durable prosperity, she maintained.”

For his part, the European delegate **Michel Rocard**, ex Prime Minister of France and current Chairman of the Employment and Social Affairs in the European Parliament. He supplied us with a substantial text from which we have printed the most trenchant extracts.

"It is clear today that social economy initiatives know no borders and develop on all the continents, by creating, whatever their size and sometimes even their modesty, a real local dynamics. The sharing of experiences and the creation of active networks are, naturally, indispensable to allow giving this approach, which detractors long wanted to reduce to "experimental", a real international dimension and a real legitimacy. (...)

"If one wants to make social economy progress from the level of the small experiences to that of a connection with the whole economic activity - and it is one of the challenges that you identified to globalize solidarity-, it is necessary to favour the emergence of regulators that tend to better master the process. (...)

"... the obstacles are still numerous. First a lack of recognition, in terms of importance, by the political authorities, which is translated by the absence of appropriate legal framework, the absence of legal security and by unsuitable social and fiscal policies. Then, a lack of stable financing and a necessity of continuing education for permanent employees to look for excellence in the benefits of goods and services. (...)

"The social and solidarity-based economy (...) group together initiatives around specific methods of operation: **Begin together, produce differently** to exceed individual frailties, to auto-organize, to connect the local to the global and to work towards networking, notably on the international level. (...)

"Throughout your work, you have to a large extent - I have no doubt - tackled all the subjects that make-up the strength of social and solidarity-based economy. For my part, I shall dwell on some of them that, to me, seem essential.

"First of all, **social and solidarity-based economy and local development**. (...) Through the networks that build up, the sharing of experiences, the search for reliable indicators, which are too often neglected, the North-South cooperation can strengthen itself. (...)

"The second subject which seems essential to me is that of **financing new start-up social and solidarity-based enterprises**. (...) It is a question of (...) creating a more favourable financial environment to permit them to start a coherent project. (...) That is why, it is indispensable to develop solidarity-based credit programs and support new financial organizations, such as credit cooperatives that serve social economy or fair trade and micro-finance organizations that do a remarkable liaison and support job. (...)

"Finally, the third important subject, **the social and solidarity-based economy and fair trade**. (...) It is also a special way to set up long-term North-south solidarity, by favouring circuits and

exchanges between the rich and poor countries and by improving cultural links. (...) a Meeting such as this one, allowed to demonstrate that the initiatives taken within the framework of social and solidarity-based economy could be profitable, without losing their soul. And, that they can unmistakably open the way to another globalization than that proposed by the neoliberalism. New, said to be plural savings are set up, calling upon tradition, which they modernize. (...)

"But, attention do not at all costs to replace one system by another system. I believe much more in the search for complementarities and in the necessary effort of pedagogy, which begins to bear its fruits. In any case, your work takes its place perfectly in the perspective that opened up to humanity on September 11, 2001. (...)

"Humanity will only find safety, peace and reconciliation if other values, based on ethics, become organizational paradigms of the system. The state, regional and local authorities are not be enough. Our States have been maligned too much and furthermore they are bogged down in market logic to the end.

"It is from social economy that, production respectful of democracy and those that contribute to it and a selection of activities and products building a more generous, more united world that is surer of its ecological permanence, surfaces all at once. You are bearers of nothing less than this. However, it places you under an obligation of passing from testimony to significant power. The time for rest is not for the actors of social economy yet.



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