

SOCIAL AND SOLIDARITY ECONOMY: TOWARDS INCLUSIVE AND SUSTAINABLE DEVELOPMENT

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Abstract

The Social and Solidarity Economy (SSE) is a phenomenon that has gained growing economic, social, political visibility in recent times and that in practice allows us to think about actions that envisage the aspects making up the integrated approach to development.

The (SSE), which International Labor Organization (ILO) defines as a concept including organizations and enterprises producing goods, services and knowledge while pursuing social and economic objectives, emerges as a response to the need for innovation within the current model of production and consumption.

During recent years a great deal of legislation has been adopted concerning (SSE). This legislative activity and institutional recognition of the (SSE) on an international level is characterized by efforts to incorporate economically dynamic and socially innovative aspects into the joint construction of public policies that aim to promote greater cohesion and inclusion.

This paper offers you the opportunity to share (SSE) experiences from different parts of the world and learn about the contribution made by the (SSE) to inclusive and sustainable development.

Keywords: social and solidarity economy, sustainable development, innovation, social capital

JEL Classification: 011; 013; 035

1. Introduction

1980s and 1990s were periods when social development put on the back burner. Things began to change after the mid-1990s. The emphasis on integration of economic, social and environmental aspects opened up a space to highlight the integrative potential of SSE. The Rio+20 process prepared the ground for United Nations Conference on Sustainable development in 2012. This conference, emphasized the need for a more integrated approach to development.

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Urgent action to mainstream sustainable development at all levels, integrating economic, social, and environmental aspects and recognizing their linkages highlighted as a result of the discussions.

SSE was the terrain of economic activity where organizations, enterprises, networks and movements addressed economic, social, environmental, rights-based and participatory dimensions of development objectives highlighted in the Rio+20 process. While this movement comprises different organizational forms and perspectives on development priorities, it has common features. These features are in accordance with the approach of “High Level Panel on the sustainable development goals (SDGs)”.

This paper focuses on SSE experiences from different countries of the world and tries to understand the contribution made by the SSE to inclusive and sustainable development.

2. Social and Solidarity Economy

Recent financial and food crises, climate change, persistent poverty and rising inequality have led to a profound questioning of conventional growth and development strategies. Increasingly it is being recognized that business-as-usual cannot address major contemporary development challenges. There is a need to “mainstream sustainable development at all levels, integrating economic, social and environmental aspects and recognizing their inter-linkages” (ITC “ILO”, 2014: 191).

The SSE, is a term used to refer to an alternative economic model and framework based on a number of values and principles, including mutualism and cooperation, equity, social welfare, social and economic democracy, pluralism and diversity, and sustainability (Allard & Matthaei, 2008; Miller, 2010). Individuals and groups espousing this framework see it as an economic framework that is transformative of the prevailing economic values and institutions. This comprises the experiences of millions of producers, workers, citizens and communities worldwide that seek to enhance livelihood security, realize their rights and transform production and consumption patterns through various forms of cooperation, solidarity and democratic self-organization. SSE also emphasizes the place of ethics in economic activity. Many governments are also acknowledging the need to democratize economic and governance systems, recognizing the roles not only of public and private actors but also of community and collective organizations and institutions, as well as the importance of cross-sectoral partnerships.

SSE is characterized by organizations, enterprises and networks that are diverse in nature but share common features in terms of development objectives, organizational forms and values. These features point to a model of development that contrasts with the profit-maximization and often corporate-led approaches that have prevailed in recent decades. SSE seeks to mobilize and redistribute resources and surplus in inclusive ways that provides resources for people's essential needs. Furthermore, SSE promotes environmental protection and the economic and political empowerment of the disadvantaged and others concerned with social and environmental justice. While profitability is a feature of many types of SSE enterprise, profits tend to be reinvested locally and for social purposes. SSE is an economic approach that favors decentralization and local development and is driven by ethical values such as solidarity, fair trade, voluntary simplicity and the principle of living in harmony not only with different people but also with Mother Earth. SSE is a holistic approach. SSE organizations, enterprises and networks simultaneously pursue some combination of economic, social, environmental and emancipatory objectives:

- The economic sphere of SSE provides opportunities including job creation, access to markets, provision of financial intermediation, and economies of scale.
- The social sphere offers better protection as it is built on principles of mutuality, solidarity and reciprocity, and advocates for comprehensive social protection and redistribution.
- The environmental sphere promotes environmental justice and seeks to ensure that economic activity enhances rather than depletes natural capital.
- Political empowerment besides economic dimension is one of important aims. SSE facilitates a voice and representation through self-organization, participatory governance and collective action at multiple levels.

This multifaceted approach distinguishes SSE from other forms of social organization and enterprise associated with the public, private and informal economy sectors. The field of SSE typically includes diverse forms of cooperatives; mutual health and insurance associations; certain types of foundation and service-delivery NGO; microfinance or solidarity finance groups; self-help groups; community-based organizations; and new forms of social enterprise producing goods and services that address unmet needs, mobilizing unused resources, engaging in collective provisioning and managing common pool resources.

Different definitions of SSE highlight different features (ITC “ILO”, 2014:192):

- The OECD (Organization for Economic Co-operation and Development), notes that SSE organizations are located between the market and the state. They can be defined on the basis of their legal status (mainly cooperatives, mutual and other associations, and foundations) or on common principles such as the primacy of social objectives over profit, as is the case with social enterprises.
- RIPESS (International Network for the Promotion of the Social Solidarity Economy) underlines the fact that SSE includes not only organizations and enterprises but also citizen movements geared to democratizing and transforming the economy.
- MBM (Mont-Blanc Meetings) adds the notion of limited profit-making and fair redistribution of surpluses.
- The ILO (International Labor Organization) adopts a broad view whereby SSE organizations and enterprises are specifically geared to producing goods, services and knowledge while pursuing economic and social aims and fostering solidarity.

While this movement comprises different organizational forms and perspectives on development priorities, its common features can be listed as follows. These features are in accordance with the approach of “High Level Panel on the sustainable development goals (SDGs)”:

- Leaving no one behind.
- Putting sustainable development at the core.
- Employment-centered economic transformation.
- Participation and good governance.
- Global partnership that upholds principles of “universality, equity, sustainability, solidarity, human rights, the right to development and responsibilities shared in accordance with capabilities”.

In recent years there has been a significant expansion of SSE in terms of the scale of economic activities, and the number of people involved and types of SSE organization. While the current crises have renewed the interest of policy-makers and the general public in SSE, it should not be understood as a residual to be taken into account as a quick fix or an emergency actor. SSE aims to be a full agent of inclusive and fair economic growth, while also fostering social cohesion.

3. Potential of SSE for Socially Sustainable Development

Various studies on SSE, illustrate the potential of SSE through the lens of eight areas which are central to the challenge of socially sustainable development in the early 21st Century. These include: transition from informal economy to decent work; greening of economy and society; local economic development; sustainable cities; women's well-being and empowerment; food security and smallholder empowerment; universal health coverage; transformative finance.

Below, the capacity of SSE, in solving difficulties and finding solutions to the problems emerged in these eight different areas of economic, social and environmental activity will be evaluated respectively:

3.1. Transition from Informal Economy to Decent Work

The prevalence of informal employment in many parts of the world not only affects the current living standards of the population but is also a severe constraint that prevents households and economic units from increasing their productivity and finding a route out of poverty.

SSE offers another means of tackling vulnerable employment and of bridging the transition from the informal to the formal economy under conditions of decent work. Within an enabling policy and institutional environment SSE can play a key role in realizing the goal of decent work, along with its constituent elements of employment generation, social dialogue and labor standards associated with both workers' rights and social protection. The organization of informal economy workers and producers in various forms of association and cooperative can play an important role in addressing market failures. Such organizations can facilitate access to finance, market information, inputs, technology, support services and markets, and enhance the capacity of producers to negotiate better prices and income. While not necessarily amenable to the poorest sectors of the population, SSE initiatives can reduce power and information asymmetries within labor and product markets and enhance the level and regularity of incomes. From an aggregate point of view, cooperatives are among the largest employers in many countries in both the global North and South. Solidarity microfinance institutions and self-help groups often facilitate access to those resources that are essential for starting and developing income generating-activities.

3.2. Greening of Economy and Society

Economic transitions that are both green, fair and inclusive provide a major opportunity for SSE to develop, not simply as a response to crisis and insecurity, but also for structural

reasons. Addressing climate change requires improvements in energy efficiency and reductions in emissions on a scale unlikely to be achieved by those types of economy and business that need continually to develop new products and markets, and to survive and compete on the basis of externalizing social and environmental costs (Jackson, 2009) Since SSE organizations are not structured in this way, but rather aim to provide members and communities with goods and services and are often community-led or -owned, they are potentially well placed to meet the challenges of both climate change and poverty reduction.

As public awareness of environmental issues has increased, so too have markets and demand for environmental goods and services. SSE organizations and enterprises are well placed to meet such demand through activities associated with recuperation and recycling of waste and materials, renewable energy and production and services associated with agro-ecological organic agriculture (Lewis & Conaty, 2012) Cooperatively owned energy generation is a vibrant and growing sector in European countries such as Denmark, Germany and the United Kingdom and is already well consolidated in the United States.

3.3. Local Development

The notion of local economic development relates to a participatory development process that involves private, civil society and public stakeholders engaging in strategies to create jobs, income and productive capacity by basing an activity in a specific location and making use of local resources. Local economic development and SSE are seen as complementary tools, both of which strive for participatory governance, partnership, empowerment and social and economic inclusion. They are particularly important in depressed rural settings where youth and others have little, if any, incentive to engage in farming activities or take up long-term residence (IFAD, 2010). This process not only affects local income but also the potential for reinvesting surpluses in local social and economic infrastructure.

Local governments, and processes such as decentralization, can play a key role in providing the enabling environment needed for local economic development, variously through health, education and other areas of social policy; technical support services; building-up of infrastructure; public procurement; and facilitation of farmers' markets. In several Latin American and European countries such enabling roles are particularly apparent. But as in the national policy-making arena, it is essential that SSE actors are organized and capable of participating effectively in policy dialogue and decision-making processes. Democratic decision-

making and adherence to social and ecological criteria provides SSE leaders with a degree of legitimacy for participating in local governance and the co-construction of public policies.

3.4. Sustainable Cities

Cities are potentially sites where access to infrastructure, services and employment can allow human beings to satisfy their basic needs and realize their ambitions and aspirations. However, cities can also be overwhelming, especially when prosperity is absent or unequally distributed (UN-Habitat, 2012-2013). Inefficient use of, and unequal access to, public services challenge the ability of cities to become sustainable (UN- DESA, 2013). Crime, waste, pollution and high carbon production and consumption patterns associated with cities are other core elements of the sustainability challenge; hence the need for integrative and sustainable models of development for cities.

Social enterprises and community-based organizations can play a key role in building sustainable cities and human settlements more generally. Important in this respect are activities that promote local culture, proximity services (including healthcare, education and training), urban and peri-urban agriculture (FAO, 2014), community renewal, access to affordable accommodation and common goods, renewable energy, waste management and recycling, low-carbon forms of production and consumption, and broader livelihood security, amongst others. The SSE can also foster mutually beneficial rural-urban linkages through, for example, agricultural value chains and food systems, trade networks, transport and other services (IFAD, Nd.) Urban community organizations and social enterprises can offer citizens affordable and accessible social services whenever such services are not provided by the public or private sectors, as is often the case.

3.5. Women's Well-being and Empowerment

Various forms of SSE initiatives lend themselves to tackling issues relating to women's well-being and empowerment. Women often make up the core of the membership of agricultural self-help and credit and saving groups, as well as of community forestry initiatives.

Employment in SSE organizations can be particularly important for poor women facing labor market discrimination and work-family conflict. In addition to providing employment, SSE organizations and enterprises often facilitate flexibility in time management, providing opportunities for paid work that can be managed alongside responsibilities associated with unpaid care work. Moreover, much of the rise of social enterprise has centered on provision of care and

other services that impact on women's wellbeing. By shifting the responsibility for care away from the individual provider and the household, SSE childcare centers, for example, can facilitate the participation of women in the labor force and other economic activities.

Beyond the aspects of social well-being and women's economic empowerment, the organization of women in SSE organizations and networks is important for women's emancipation and political empowerment. Through such organizations and participatory roles, women can gain voice, as well as networking and advocacy skills, allowing them both to renegotiate traditional gender relations and to access and make demands on more powerful institutions.

3.6. Food Security and Smallholder Empowerment

Around the world millions of rural workers and producers, often women, are organizing in self-help groups and cooperatives in ways that bode well for food security and smallholder empowerment. By organizing economically in, for example, agricultural cooperatives, and politically in associations that can engage in policy dialogue and advocacy, SSE organizations and enterprises can address both market failures and state failures that underpin such problems. Furthermore, their tendency to employ low-input, low-carbon production methods and respect the principles and practices of biodiversity bodes well for sustainable agricultural intensification. Small scale farmers, often organized in some form of cooperative and practicing agro-ecology, are increasingly important actors in food systems. Some governments, for example Bhutan and Cuba, have put in place laws and extensive programs mandating or actively promoting aspects of agro-ecology which is a key dimension of certified fair trade.

A prominent strand within SSE includes fair trade and alternative food networks that connect rural producers and urban consumers on more favorable terms related to both price and quality of produce, and promote collective provision of food and community urban agriculture, as well as support for community projects. In Europe and North America, such trends partly relate to cultural shifts in which the middle classes are searching for more environmentally and socially friendly and community centered ways of living. In the United States, local multi-stakeholder food councils have proliferated throughout the country to promote local food security, environmental protection and community health.

3.7. Universal Health Coverage

In a context in which political and resource constraints have often limited public provision of healthcare, SSE organizations are emerging as important partners in both health

service delivery and health insurance. While any reduction in state responsibility for healthcare provision needs to be viewed with caution, and while SSE initiatives should not be perceived as substitutes for state provision of healthcare, SSE organizations are nonetheless well placed to play a complementary role in health service delivery, given their proximity to their members and the communities they serve. When organized as social enterprises and cooperatives, they also retain a financial motive for efficiency (Robertson, Andrew, 2012).

Beyond the provision of healthcare services, SSE initiatives play a central role in addressing the social determinants of health, not only through their contribution to economic empowerment and food and livelihood security for the people and communities involved, but also through their capacity to make demands on local and national public authorities for social services. Given their multiple social and development objectives, there is growing attention to the role of cooperative banks in strategies that simultaneously aim to improve health and reduce poverty and inequality, as well as supporting financial systems that are less prone to periodic crises.

3.8. Transformative Finance

In addition to the need to restructure patterns of production, trade and consumption, it is imperative to transform finance. Two critical challenges apply here: first, that of democratizing access to finance for low-income groups and small producers and enterprises; and second, that of transforming financial systems so that they are not prone to periodic crises and do not misallocate capital to sectors associated with jobless growth and exploitation of finite resources. The SSE can play an important role in both respects.

Around the world, complementary currency systems suggest that they too can also be a tool for sustainable development, being particularly efficient in times of economic instability owing to various attributes. First, since their use is constrained within a specific space, they can reinforce local economic development and local democratic governance; second, they can revitalize and stimulate production and exchange; and third, they can modify values and social relations. Complementary currencies have proved their worth in funding community-led initiatives, creating a community through currency use, which engenders cooperative behavior, favors social inclusion, and fosters local and participatory governance.

4. Spread of the SSE Initiatives between Different Countries

Solidarity economy (SE) initiatives constitute a worldwide phenomenon that is today at the very heart of numerous economic and social debates. Indeed, the current crisis, as well as the

state and market failures in developed and developing countries, lead us to interrogate the societal role played by such organizations. Development studies needs to analyze the ability of such economic initiatives to produce goods and services while, at the same time, responding to social and environmental needs.

SE today, in Brazil as well as in Latin America in general, represents a social movement. Its construction as a political actor led in turn to the emergence of specific public policies. It represents a new phenomenon of institutionalization for these practices in people's neighbourhoods. Generally, the literature on SE defines these initiatives according to their economic characteristics: being autonomous and of private nature and whose purpose is not to maximize profits but to provide services to their members or to the community.

The oldest foundation root of SE, and the most important in terms of number of initiatives, which has emerged from the 'popular world', excluded from the mainstream sectors of the economy, be these public or private, is the so-called people's cooperativism. Under the legal status of cooperative, association or as informal groups, these collectives of workers coming from the lower classes focus on improving their living conditions.

After the industrial crisis in the 1990s, a second formative root of SE appeared in Latin America, originating this time from the formal economy. Here, one finds cooperatives founded by the trade union movement, inter alia as a response to the bankruptcies of companies and their recovery by the unemployed workers who transformed them into cooperatives. Other developments took place in the 1990s, such as the people's banks and the exchange clubs (Lemaitre; Helmsing, 2012, p. 751).

The increasing mobilization of grassroots organizations recorded during the crisis of the neoliberal model and the recognition by the state of the capability of the popular sector to generate its own employment and promote social inclusion laid the foundations for a new model of social policy (Caruana; Srnec, 2013, p. 730). Unlike the neoliberal approach and its practices (focused on the poorest, with a handout mentality and limited to social instruments), these new policies have attempted to solve social issues through work and the empowerment of the popular sector, combining social and productive instruments.

National governments have developed different approaches toward SSE, reflected in some cases in their legislations and national constitutions and, in other cases, in their legislations and public agencies. These regulations not always accompany the status of the social, political and

economic relations of SSE practices. However, they represent a significant progress toward a full recognition of the heterogeneous universe of SSE and the formalization of new forms of organization linked to SSE's practices and their work relations. On the other hand, in Latin America, SSE has achieved constitutional status in three countries – Bolivia, Ecuador and Venezuela – and its recognition is gradually growing in other countries of the region, which means it is gaining its own space both in the economic sphere and in society as a whole.

The SE is a social movement, in the eyes of the actors of the field who recognize and identify themselves as such and in terms of a number of generally accepted criteria. It is about an intentional gathering of various actors who, through cooperation, networking and joint mobilization, embody a project of social change. They explicitly intend to carry out a universal cause in the public sphere and to influence the forms of social life, notably through contacts with public bodies in the form of political claims (composing the 'Platform of struggles'). Joined together around a common identity and common values (the 'Charter of principles'), the activists are opposed to capitalism (the social adversary, developing thus a confrontational dimension). They defend, in a militant way, a 'new' mode of production, consumption and wealth distribution, an alternative model of development, generating social benefits. Much more than a given set of existing practices, for the actors involved, SE is a project of society. Through the cooperative, the workers mention that they gradually realize their capabilities. Beyond the professional training, they are also trained in citizenship, notably by NGOs. They become aware of their reality of economic, social and political exclusion. They progressively consider themselves as citizens, as social actors with duties and with entitlements for which they begin to militate together. They see themselves as 'multiplier agents', as having a mission to empower other people through encounters and exchanges.

Activists of SSE, are often individuals who pursue and maintain international connections and are very involved in global networks. At the same time they focus their work on domestic and local issues and bring the ideas, lessons, and experiences of like-minded activists abroad back home and engage in a process of translation to make ideas, models, and practices from abroad relevant for and practicable in local settings.

As mentioned above, when IMF policies tore away safety nets in Latin America, people turned to each other, and coops and solidarity economy initiatives were launched. The idea came from below as a response to structural adjustment programs.

The U.S. Solidarity Economy Network (SEN) was formed following a series of meetings held at the first U.S. Social Forum (USSF) in the summer of 2007 with the support of other actors in the global solidarity economy movement (Shawski, 2013, p. 141). But the movement is much stronger in Latin America and Quebec – the U.S. is a latecomer. In the U.S. the context for the emergence of solidarity economy was deindustrialization and plant closings. Since 2008 the financial crisis, breaking up unions, spending cuts, etc. made the situation in U.S. similar to that in other countries.

The neoliberal economy was creating similar problems in different places. What holds the global movement together is the quest to find alternatives and a set of principles that include: dignity, non-exploitative and non-hierarchical work, local economy, and sustainability. The commonality that all groups share is their common enemy, a system run by corporate and financial capitalism. The big issue for the solidarity economy movement is the question of what kind of economic relations provide jobs, dignity and non-exploitative and non-hierarchical work. In other words, what unites the global solidarity economy movement is both the opposition to neoliberal capitalism and the recognition that there are alternative practices and institutions already in place that can bring about change.

SSE represents a unique economic culture in which firms and social and ecological needs are dependent on each other. Other initiative of SSE, is the SEA Basel (being the first of its kind in Switzerland) immediately began to cooperate with other similar attempts and likeminded organizations in Germany, France, and Luxembourg in starting the “Institute for Social Economy” (Walliman, 2014, p. 54). Some activities were joint efforts; for others the SEA Basel was acting alone. The purpose was to:

- Inform the public about social economy and its potential in handling present and future problems of development.
- Offer public courses and conferences on issues pertaining to SSE.
- Advance professional, economic, political, and cultural skills of individuals involved in the SSE.
- Provide assistance through research and consulting for establishing SSE networks and financial tools.
- Give interviews and offer statements on SSE to mass media and encourage research and publications concerned with SSE and its development.

- Document the course of SSE development in conjunction with surrounding economic and social events at the local, national, and international level.

The next operative step occurred in 1998 when SEA (Social Economy Association) founded the Social Economy Network Co-operative starting with already existing worker self-managed firms and civil society movement organizations. In terms of growth, the Social Economy Basel and its network co-op is kept in an organic growth pattern that does not depend on outside funding. The Social Economy Network Co-operative aims to:

- Enhance the social, economic, and political cohesion among network members.
- Build a local platform for moving towards local, social, and ecological sustainability, and politically to mobilize social, economic and political forces towards this goal.
- Promote the exchange of goods and services among members of the network.
- Promote the exchange of goods and services between the network and firms, organizations and individuals outside the network.
- Locate new markets and social movement spaces and to establish new businesses and civil society organizations.
- Organize collateral guarantees for bank loans to federation members.
- Make micro loans for federation members, small co-op start-up businesses, and new civil society organizations.
- Engage in sustainability-enhancing investments.
- Issue alternative currencies.

Social cohesion and SSE development is enhanced by a newsletter, the SSE fair, time-based exchange circles, and a Swiss Franc-backed alternative currency. In 2002 the Swiss Franc-backed alternative currency BNB was launched. In a pilot phase it was first tried only among members of the Social Economy Network Co-operative. Subsequently, it went public in 2005 to include individuals, businesses, and NGOs outside the co-op network. Some 120 firms and non-profit organizations presently accept the BNB. Properties of BNB can be listed as follows:

- Locally and democratically controlled money.
- Does not leave town or the region.
- Cannot be used for speculation.
- Helps in fighting undesirable global competition.

- Provides identity for those interested in local development towards sustainability, and allows them to display this identity.
- Serves as a general symbol for local development and the transition towards sustainability.
- Strengthens social movement energy for local development towards sustainability.
- Supports local business and NGOs ideationally and commercially as they support local development towards sustainability.
- Can consciously be spent in support of Social Economy Basel efforts to bring about sustainability.
- Generates funds for loans to federation NGOs and businesses working for local development towards sustainability.
- Generates funds for new start-up federation NGOs and businesses working for local development towards sustainability.
- Generates funds for investments in local renewable federation co-op energy production.
- Entails and teaches an alternative understanding of the nature and role of money.
- Stands for an economy embedded in society, not for a society dominated by the Economy.

5. Enabling Social and Solidarity Economy

Examination of the potential role of SSE in addressing several of today's major development challenges suggests that policy-makers in government and intergovernmental organizations should be paying far more attention to forms of economic activity that are inherently inclusive and holistic. Such an approach resonates with the broader post-2015 challenges of:

- Better integration of economic, social and environmental objectives.
- Poverty reduction, decent work, gender equality and equitable development.
- Addressing the structural causes of global crises linked to finance, food and energy.
- Building up resilience for coping with crises and external shocks.

But numerous constraints and tensions can still impede progress in this regard. SSE organizations, enterprises and networks often start with a very weak asset base, which

undermines their consolidation and sustainability. Core labor standards may not be upheld within some SSE organizations and enterprises. Within SSE organizations, the significant presence of women as members is often not reflected in leadership positions. Such limitations relate to broader societal issues such as traditional conceptions of gender roles; limited access to education and training, land and property rights; and control over household income and assets. And as they grow, social capital or bonds that bind SSE members in relationships of trust can weaken.

As SSE expands, it tends to interact more closely with the state, private sector actors and market forces. While such expansion and connections may facilitate access to much needed resources, markets and technologies, they can also undermine the autonomy of SSE, prioritize efficiency over equity, and cultivate institutional or managerial cultures that are more hierarchical and less democratic and inclusive. In short, they may divert SSE organizations and enterprises from some of their core values and objectives. Recent splits within the fair trade movement point to the difficulties of consolidating a cohesive SSE movement in the context of market integration, where the interests and priorities of smallholder producers and agri-food business stakeholders may diverge. Governments are becoming more proactive in supporting SSE but may instrumentalize this field as a tool for poverty reduction, for employment generation or for sub-contracting social service provisioning, rather than seeing SSE as a transformative approach to development, involving quite different patterns of production, consumption and distribution of income and surplus, as well as different social and workplace relations.

Given these concerns and challenges, what should governments be doing? A number of important policy implications emerge from the perspectives outlined in this paper.

First, trends associated with solidarity and cooperation at the level of SSE organizations need to be matched by solidarity and redistribution generated through social, fiscal, credit, investment, industrial, procurement, training and other policies at different levels of government. It is known that governments and international development organizations can do far more to create the type of enabling policy environment in which the potential of SSE can be realized. Since the turn of the millennium in particular, numerous legal, policy and institutional reforms have been adopted in numerous countries at federal, state and local levels. They include, for example, legal reforms in France, the Philippines and Quebec; creation of SSE related ministries or departments in Colombia and Luxemburg; national or regional development programs promoting SSE in Kerala, Nicaragua, South Korea and Uganda; local government initiatives to

support SSE organizations in Spain and Colombia; sectoral (e.g. health) programs in West Africa; and comprehensive policy support in Brazil and Ecuador. Cross-country learning *via* policy dialogue needs to take place to generate and disseminate knowledge of policies conducive to SSE and the institutional and political contexts that facilitate effective policy design and implementation. This occurs for example in various forms of South-South cooperation in Latin America and elsewhere. Much can be gained from inter-governmental and multi-stakeholder learning and dialogue regarding such experiences.

Second, the dynamism and innovation associated with SSE derives in good measure from its autonomy from states. An enabling policy environment must also reinforce the conditions for safeguarding this autonomy through rights-based approaches that ensure, for example, freedom of association and information, as well as channels and fora for effective participation of SSE actors in policy processes. Participatory governance innovations and institutionalization of mechanisms for effective joint construction of policy design, implementation and review are crucial in this regard.

Third, the discussion suggests a need for policy-makers to reflect on recent shifts in development priorities associated with economic empowerment and social protection. More specifically it is important to guard against narrow interpretations and to broaden the focus:

- beyond the capabilities of the individual producer or entrepreneur towards those of groups, communities and collectivities;
- beyond private sector development centered on the profit-maximizing firm, with its tendencies to externalize social and environmental costs, towards “profit-mutualizing” or “less-for-profit” organizations and enterprises that balance economic, social and environmental objectives;
- beyond a focus on social protection via safety nets towards more comprehensive social policy and universal social protection;
- beyond economic empowerment towards political empowerment and the realization of rights.

Fourth, while a strong case can be made for the potential of SSE in sustainable and rights-based development, the evidence base on the performance and sustainability of SSE remains highly underdeveloped. Members and observers of the UN Inter-Agency Task Force for SSE emphasize the need to:

- Enhance the recognition of the role of SSE enterprises and organizations in sustainable development.
- Promote knowledge of SSE and consolidate SSE networks.
- Support the establishment of an enabling institutional and policy environment for SSE.
- Ensure coordination of international efforts and create and strengthen partnerships.

6. Conclusion

Negative impacts of rising inequalities and the limits of the MDGs process in addressing multiple dimensions of poverty and in achieving several of the goals emphasized the need for a more profound transformation in thinking and policy making. Many countries are lagging behind with respect to MDGs. The post 2015 development agenda promises to take on the MDG's unfinished business, while adding objectives related to: inclusion; sustainability; employment; growth; governance; cooperation

Development institutions have improved the quality of projects by generating knowledge in strategic development areas. Evidence – based policy making by country institutions have supported by international development society. Sharing development lessons between countries is the main strategy. Financing a transformative development agenda will require cooperation among, governments, donors, private sector, policies and institutions that facilitate more efficient use of existing resources and attract new and diverse sources of funding. Firms must go beyond minimum corporate social responsibility standards to help advance human well-being and environmental sustainability.

New approaches are needed now to guide us through problems and to restructure society into a socially and ecologically sustainable pattern.

When acting today, it is imperative to include those who have been socially or ecologically hurt by present institutions. When acting, institutions can be created that are prepared to manage the severe bottlenecks and social and ecological problems yet to come. In sum, today already new institutions are needed for a sustainable, predominantly regional, more labor intensive socio-ecological system.

In many ways the SSE approach can contribute towards such goals:

- It does not aspire to keep pace with the growth-driven 'industrialism' of multinationals; it rather seeks to get away from it. It will seek more qualitative over quantitative growth.

- It is more labor intensive and pays lower wages; it aims at building communities, making individuals independent of those with concentrated privately owned capital.
- It does not seek to abolish the market economy, but rather to find relative protection from it and build resilience against its blackmail and extortions.
- It emphasizes resources – not deficits – people have, particularly in those who have been labelled as lacking resources by traditional labor markets.
- It does not seek to divide up communities but to expand them by pooling resources for mutual use.
- It aims not for a short-term, but for a long-term synergetically derived existential security for an ever increasing number of people.

If SSE is to achieve these goals, it must ascertain that those working in its organizations have a stake in the assets as they build them. In addition, democratic structures must ensure that assets gained are not unconditionally privatized or ‘autocratized’ due to a lack of social control over them. In addition, if SSE is to be successful, it must recognize its adversaries and seek to deal with detractors through permanent open discourse.

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