

PalArch's Journal of Archaeology
of Egypt / Egyptology

**SOCIAL SOLIDARITY ECONOMY: THE ROAD TOWARDS AN
ECONOMY OF TRANSFORMATION**

Yaneth P. Romero Alvarez^{1*}, Eustorgio Amed Salazar², Jhon J. Feria Díaz³

¹Faculty of Economic and Administrative Sciences, Universidad de Sucre, Colombia.

²Faculty of Health Sciences, Universidad de Sucre, Colombia.

³Faculty of Engineering, Universidad de Sucre, Colombia.

**Yaneth P. Romero Alvarez , Eustorgio Amed Salazar , Jhon J. Feria Díaz , Social
Solidarity Economy: The Road Towards An Economy Of Transformation ,
Palarch's Journal Of Archaeology Of Egypt/Egyptology 18(8), 3502-3507. ISSN
1567-214x.**

Key Words: Solidarity economy, Society, Social transformation.

ABSTRACT

The Social Solidarity Economy deals with a change process in the economy and development based on the relations between society and the environment that enhances human capacities and highlights the importance of relationships and work. The objective of this study is to approach a definition of the Social Solidarity Economy, to establish some successful experiences in countries worldwide, and to discern the elements that are necessary for its implementation. The conclusion at the end is for establishing a transformation economy that requires the creation of a collective identity, an inclusive economy, the inclusion of the Government and, in general, the support of the market itself.

1. INTRODUCTION

"Every economy is social, but the market does not create a society" (Roitman, 2016) For most countries of the world have so far perceived economic development based on a single model: "capitalism", where the market rules are those that constitute the population base structure, which has led the cause of the large social crisis in various countries, and it has made man consider the profitability of large capital at greater poverty cost or at the cost of damage to the environment and the depletion of resources. For this reason, a new

movement or revolution has emerged based on a solidary and transformative social economy. However, what does this transformation economy consist of? Will it be possible to bring it to reality taking into account the permeability of capitalism and the comfort of the capital owners? How close are the Latin American countries to establishing a true change in their base structures? Apparently, and doing a reading different experiences at the Ibero-American level, the answers to the previous questions can be positive, especially in some countries. That is why this essay will aim to reflect on the subject, addressing firstly, the definition of a Social Solidarity Economy, onwards SSE, secondly, experiences in Ibero-American countries that count for their approaches to this new structure economic based on society and sustainability and finally possible to continue according to experts on the subject.

2. THE SOCIAL SOLIDARITY ECONOMY

The SSE refers to an economy controlled by the workers and not by the State nor by the capitalists (Richards, 2011), where the people are who participate in a common project in order to achieve an objective that obeys a collective need, but which is not for maximizing wealth but rather that of common welfare. It makes a difference from the traditional capitalist economic system because it seeks to manage limited resources to satisfy human beings needs (Giménez& Ibáñez, 2019). In theory, the SSE is still under construction, but it receives from other theories such as cooperation system, socialism, basic Christianity, ecology, fair trade, and responsible consumption, popular education, food sovereignty, among others. In the SSE, the production, distribution, circulation, and consumption of goods and services are carried out based on community and not private purposes (Álvarez, 2011), it is limited to humble work, connected with techniques and popular knowledge close to low environmental impact (ÀngelsFitó et al., 2010); Furthermore, it is independent of public power and acts guided by values such as equity, solidarity, sustainability, participation, inclusion, and commitment to the community (Tapia-Toral & Alvarado-Espinoza, 2019).

Different authors have analyzed the SSE definition, including breaking down the terms of Social Economy and Solidarity Economy. However, in the reflection of this essay, is it possible to carry it out thus achieving a transformation in the current economy? The ILO itself defines SSE as a concept of a triple nature: “it is an object susceptible to empirical verification and at the same time a social movement and a propositional theory of socioeconomic change” (International Labor Organization, 2014). In other words, it is possible, but this requires that the social collective move and want to accept the change. This is not simple. Four principles are required for the SSE implementation: the right to live and receive income; an *coupureépistemologique* (discontinuity in the object of knowledge) in the philosophy of science; an unlimited organization (flexibility in the service of an ethic of solidarity), and an ethic of solidarity that calls to share the surplus (in order to comply with an ethic of solidarity that values life) (Richards, 2011).

3. SUCCESSFUL EXPERIENCES OF THE SSE

The ESS is a social change promoter and this is demonstrated with successful experiences at the Ibero-American level. For example, in Spain, where SSE is a fundamental part of the economy, approximately 21 million people have access to basic goods and services and employment through more than 43,000 associative and mutual companies, including micro-companies and large conglomerates, and from different areas such as health, education, and banking (PedreñoFrutos, 2019). The agricultural cooperatives' final production represents 60% of the total production in Spain, the homes of 15% of the population come from cooperatives and 45% of the real estate business is also managed by cooperatives. In the same way, a cooperative private health model is offered in which doctors are also partners and 25% of the insurance sector belongs to 371 social welfare mutuels that administer more than 38,000 million euros for a total of 2,500,000 members (PedreñoFrutos, 2019). Among the factors that have contributed to the consolidation of this model has been the creation of the Spanish Confederation of Social Economy (CEPES), the entity responsible before the government of Spain and before the other European and international institutions; and the approval of Law 5 of 2001 on Social Economy that provides a legal definition to the social economy and supports its promotion from the public power.

At the Latin American level, the great advantage has been in some countries such as Mexico, Guatemala, Ecuador, Peru, and Bolivia, that their population is notably indigenous, which has allowed an indigenous “resistance” such as the “Via Campesina”. That has allowed notable political transformations, the governments' overthrow and an agroecological revolution that has allowed new articulations with nature, new technologies and the way of producing (Toledo, 2016).

In Argentina, there is the Learning Institute in Social Economy, it experiences developed by the Network of Latin American Researchers in Social and Solidarity Economy (RILESS) that as a starting point has concrete practices with organizations that realize various projects of socio-economy as the BePe of Catamarca's case, This is an organization that promotes an alternative economic development focused on work, on the respectful use of natural resources, strengthening the bases of political ethical commitment of multiple organizations and grassroots communities of the Argentine Northwest region (Álvarez, 2011) and from the public point of view, the Ministry of Social Development of Argentina have implemented the National Plan for Local Development and Social Economy, entitled “Hands-on Work” with the objective to support local socio-economic development initiatives in sectors with few resources to improve the income of the population (Organization International Labor Organization, 2014).

In Brazil, there is the Banco Palmas recognized for being the forerunner of a territorial development program that includes microcredit, social currencies, the creation of social and solidarity economy initiatives, professional training, and education for consumption (International Organization of the Work, 2014). In addition, there are initiatives such as CaSanAT, an abbreviation of the words "house" and "nature" in Portuguese, where social activists and volunteers dialogue and carry out actions in favor of society and the

environment (Transformative Cities, 2020) that account for the isolated local achievements independent of the traditional economy.

In Mexico, there is the National Integrative Union of Solidarity Organizations and Social Economy - UNIMOSS whose objectives are oriented towards a “global strategy for the economic and social development” of networks distributed throughout the national territory; and the solidarity exchange groups, whose function is to promote the development of practices of solidarity exchange of products, services and knowledge (International Labor Organization, 2014). And in Ecuador, the SSE has already been included within the country's dynamics, since the 1998 Constitution, the Ecuadorian economy was linked to the principles of efficiency, solidarity, sustainability, and quality, being that many of the financial resources of the country aimed to protect the peasantry and its production (International Labor Organization, 2014).

Thus, the experiences found in different countries are diverse. This makes the path clear to be traced for an economy of transformation, but in a fair way, the respect for people and natural resources. However, there are great differences among all the countries since there are successful experiences and great advances in some regions but also lags in others. As it is established (ÁngelsFitó et al., 2010) the change is not so simple and is not reduced to technological modernization. At the same time, It is important to social and political measures with strong public sector Measures that by going against capitalism are not convenient for some countries, such as the case of the US leaving the Paris Agreement (BBC Mundo, 2017).

In accordance with the above, it will not be easy to change the economy to transform the current monopoly capitalism. Because, first, the implementation of the SSE for the creation of a collective identity is required, which consolidates solidarity behaviors; second, in an inclusive economy of seeking forms of access to resources, economic production and reproduction of life that are inclusive and alternatives to the already established hegemonic ones (Gamba, 2012). These behaviors, as Coraggio (2009) cited by (Martinez Valle, 2009) says, require the inclusion of the Government and the market in general in order to launch an inclusive economy, that focuses on the value of use.

The same society must institutionalize the solidarity economy through five principles which were proposed by (Coraggio, 2011b):

- 1) Administration of the domestic economy: a greater articulation of families in communities with diversified production to attend to their own needs.
- 2) Alliances: reciprocal relationships must be cultivated that allow organized and participatory planning of the different organizations. This will have some type of representation in the establishment of public policies. Not only at the local but also at the national level, as well, the geographical places and countries in which similar experiences take place should be identified in order to refer to the particularities of the regions in which the good practices of the SSE have emerged (Gamba, 2012). This will create a synergistic association, a network of countries that act together against global capitalism.

- 3) Redistribution: promoting the distribution of individual income from the same State. For instance, such as the consolidation of funds at the level of communities or associations.
- 4) Exchange: producers must be directly linked to national and international demand, regulating exchange that avoids the monopolies that promote capitalism.
- 5) Fair economy: Fair price promotion linked proportionally to the articulated work and deleting market imperfections.

It is stipulated by some authors such as (Coraggio, 2011a), the SSE must be built within a real contradictory panorama, where the predominance of capital and the comfort of the great elites will not cease, therefore, from the academy, it must be given to learning about successful experiences such as those presented in this document, in order to demonstrate that there are other ways of managing the economy that does not go against life, well-being and against nature.

4. CONCLUSIONS

In the current financial crisis context that is a product of excessive savage capitalism, it is convenient to propose new solutions that allow an economic model breakdown of whose objective is the maximization of capital and not the well-being of society and the care of exhaustible resources. The SSE Social Solidarity Economy is an answer to these transformation needs since it is a process of change in the relationship between society and the environment. It cannot be generalized but in some regions, there are countries that have completely understood about solidarity ventures favor economic and social development, in addition to strengthening it. The SSE potentiates human capacities and highlights the importance of relationships and work; it is more responsible with nature, life and promotes the change towards a more just society. Therefore, the SSE is perhaps the transformation economy that developing countries require, but its implementation requires a collective identity of solidarity, an inclusive economy, public policies to support change, market acceptance, and lastly, synergistic associations against capitalism.

REFERENCES

- Álvarez, C. (2011). Aprendizajes para la economía social y solidaria. *Decisio*, Mayo-Agost(29), 38–43. <http://decisio.crefal.edu.mx>
- Àngels Fitó, M., Gómez, F., & Moya, S. (2010). The effects on comparability of the new local accounting standards in Spain | Efectos del nuevo PGC en los estados financieros: El problema de la comparabilidad de los datos. *Universia Business Review*, 28, 136–149.
- BBC Mundo. (2017). Donald Trump anuncia que Estados Unidos abandonará el Acuerdo de París sobre cambio climático. <https://www.bbc.com/mundo/noticias-internacional-40124921>

- Ciudades Transformadoras. (2020). <https://transformativocities.org/es/atlas/vivienda8/>
- Coraggio, J. L. (2011a). Economía social y Solidaria. El trabajo antes que el Capital. In *Diccionario de la otra economía*. http://www.dhls.hegoa.ehu.es/uploads/resources/5448/resource_files/Coraggio_ESS_Trabajo_antes_que_capital.pdf
- Coraggio, J. L. (2011b). El papel de la Economía Social y Solidaria en la Estrategia de Inclusión Social. *Revista Decisio*, 29, 23–31.
- Gamba, L. R. (2012). Territorios y sujetos de la economía social y solidaria. *Otra Economía*, 6(10), 24–36. <https://doi.org/10.4013/otra.2012.610.03>
- Giménez, A. C., & Ibáñez, M. G. (2019). Is blockchain technology compatible with the Social and Solidarity Economy? Towards a new paradigm. *CIRIEC-España Revista de Economía Pública, Social y Cooperativa*, 95, 191–215. <https://doi.org/10.7203/CIRIEC-E.95.12984>
- Martinez Valle, L. (2009). Social and Solidary Economy: Mith or Reality? *ICONOS. Revista de Ciencias Sociales*, N° 33, 107–113. http://search.proquest.com/docview/60322251?accountid=14643%5Cnhttp://mlbsfx.sibis.usp.br:3410/sfx1cl41?url_ver=Z39.88-2004&rft_val_fmt=info:ofi/fmt:kev:mtx:journal&genre=article&sid=ProQ:ProQ:socabbshell&atitle=Social+and+Solidary+Economy:+Mith+or+Reality
- Organización Internacional del Trabajo. (2014). *Economía Social y Solidaria y Cooperación Sur-Sur y triangular : posibles conexiones y contribuciones al desarrollo sostenible inclusivo* (Centro Int).
- Pedreño Frutos, J. A. (2019). *Mediterráneo Económico*. In C. C. Rural (Ed.), *Cajamar* (Issue 32).
- Richards, H. (2011). *Principios Fundamentales de la Economía Solidaria*. 1–27.
- Roitman, R. D. (2016). *¿De qué hablamos cuando hablamos de Economía Social?* (Marcos Mat).
- Tapia-Toral, M. C., & Alvarado-Espinoza, F. G. (2019). Principios básicos de la economía social y solidaria en el marco de la satisfacción de las necesidades humanas colectivas. *Dominio de Las Ciencias*, 5(3), 731. <https://doi.org/10.23857/dc.v5i3.961>
- Toledo, V. M. (2016). *¡Salir del capitalismo! La revolución agroecológica y la economía social y solidaria en América Latina*. In J. L. Coraggio (Ed.), *Economía social y solidaria en movimiento* (Libro Univ, pp. 143–158).