

COPAC

CO-OPERATIVE AND POLICY ALTERNATIVE CENTER



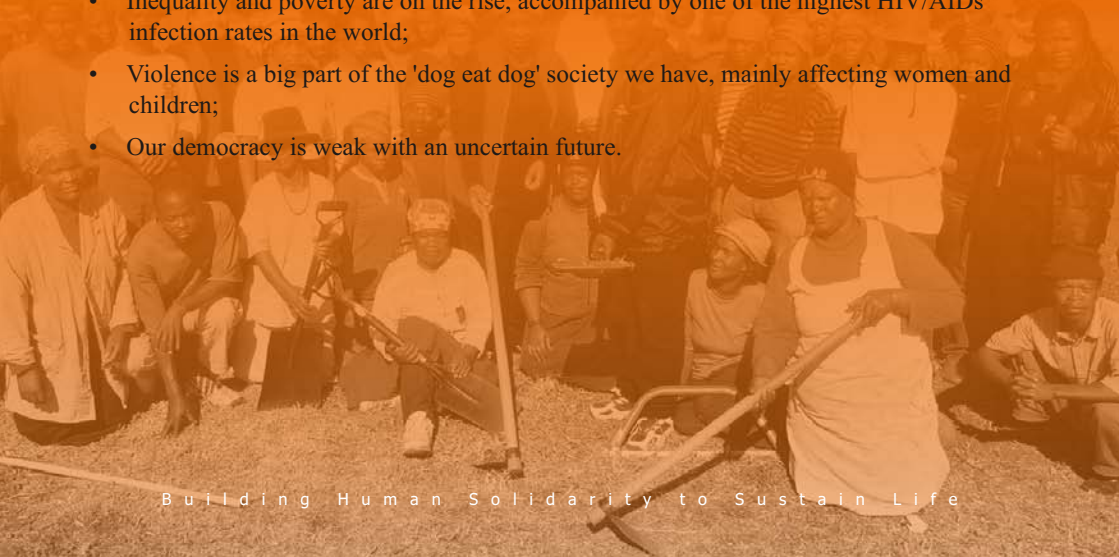
A Call to build a Solidarity Economy and Movement in South Africa

Our World is in Crisis

- Economic crisis is increasing poverty, unemployment and hunger in the world;
- Planetary warming through green house gases has begun and is a major threat to the survival of the planet;
- Ongoing pollution and environmental destruction has placed limits on development.

South Africa is in Crisis

- Over a million jobs have been lost since the beginning of the recession. Many more jobs are expected to be lost. Unemployed workers and their families are struggling to survive;
- Inequality and poverty are on the rise, accompanied by one of the highest HIV/AIDS infection rates in the world;
- Violence is a big part of the 'dog eat dog' society we have, mainly affecting women and children;
- Our democracy is weak with an uncertain future.



There is an Alternative

We are living through a civilisational crisis. The power of markets, big transnational corporations and rampant individual greed is leading our society and world to disaster. Through the World Social Forum progressive humanity has committed to advance alternatives to this crisis. One such alternative is the **solidarity economy process and movement**.

In Brazil, Argentina, Peru, in many local communities in the USA, in Quebec Canada, Italy, Spain, the UK, in Kerala India, the Philippines and many other countries the solidarity economy process and movement is being built. This draws on histories of working together and practical solidarity going back to ancient times, but also modern experiences of cooperation that emerged in the 19th century as a response to the negative impacts of the industrial revolution on the lives of workers, farmers and poor communities.

The Solidarity Economy Process and Movement is Not

- Another business model that enhances social capital and hence is an extension of the private sector. **Instead, the solidarity economy is an alternative informed by ethical and social goals. Profits and market relationships are subordinate to these purposes. It is an end in itself.**
- A version of Black Economic Empowerment (narrow or broad) supported by the state. **The solidarity economy rejects the corruption, state control and lack of ethics within BEE. In the South African context the solidarity economy is an independent and grassroots alternative to BEE.**
- A component part of the mixed economy or an add on within the existing system or a third sector. **The solidarity economy is a process with many possibilities of scale, scope, location and depth. It is a means to transform society.**
- A band-aid to fix state or market failure like poverty. **The solidarity economy addresses poverty and more. The solidarity economy is a preferred choice by all who believe in its vision, values, principles and practices.**

What is a Solidarity Economy?

It is a collective humanist response and democratic alternative from below to the crisis we face. It draws on our common humanity as the basis for solidarity action.

More concretely the solidarity economy is a voluntary process organised through collective struggle and conscious choice to establish a new pattern of democratic production, consumption and living that promotes the realisation of human needs and environmental justice.

Working with a Vision

The solidarity economy process seeks to achieve:

- Collective self organising to sustain life (human and non-human);
- Democratic coordination of economic and social enterprises;
- Self managed enterprises;
- Worker and collective ownership;
- Participatory civic and social action;
- Ongoing education and learning for progress;
- Social transformation centered on human need and the environment.

Values and Principles

Some of the main ethical values of the solidarity economy are caring, sharing, self reliance, honesty, democracy, equality, learning, environmental consciousness, social justice and openness.

The process of the solidarity economy is guided by the following principles:

- **Solidarity** provides the social basis for the solidarity economy. It informs the cooperation between members inside a solidarity economy enterprise, between such enterprises and with the community more broadly.
- **Collective ownership** ensures the assets and resources of the solidarity economy enterprise brings benefits to all within the enterprise, to the community and future generations. It ensures control and power is shared.
- **Self management** gives members (women and men) and worker owners the rights to impact on decision-making. Such a principle ensures one-person-one-vote institutionalises accountability and responsibility. Ongoing education and training is crucial for viable self management.
- **Control of capital** is a crucial practice to secure benefits for the individual enterprises, the wider solidarity economy and the community. It requires developing mechanisms to build up capital from below and subordinating it to democratic control so that the vision, values and principles of the solidarity economy informs lending practices. Such criteria will also inform the behaviour of the borrower.
- **Eco-centric** practice places an emphasis on a non-destructive relationship with nature through inputs, production processes, services rendered, consumption and household practices.
- **Community benefit** encourages a broader social awareness as an integral part of how the solidarity economy works. Such community benefit to be accounted for through transparent financial reporting.
- **Participatory democracy** provides an institutional space for the decentralised power of citizens and solidarity economy actors for and with the solidarity economy process. Such an institutional space to bring together and unite such social forces to ensure effective coordination and development of the solidarity economy.

Building a Solidarity Economy Movement from Below

(1) The Role of a Solidarity Economy Activist

The main driver of a solidarity economy and movement building process is the solidarity economy activist. Such an activist practices the values and principles of solidarity economy, is committed to ongoing education and listening as part of self transformation. Moreover, such an activist has a broad understanding of people's power and pushes the boundaries for innovation.

(2) The Role of Solidarity Economy Actors

These are entities actively supporting the solidarity economy process. Civic organisations, religious organisations, sports and cultural organisations, youth organisations, women's organisations, street traders, slum dweller organisations, trade unions, unemployed people's movements, landless people's movements, community support NGOs and so on. Some of these actors would even play the role of solidarity economy catalysts to empower such a process by providing facilities and infrastructure for such a process to take root in a site like a ward/s or community.

(3) The Role of Solidarity Economy Enterprises

These entities are at the heart of the solidarity economy. They are also solidarity economy actors but not every solidarity economy actor is a solidarity economy enterprise. Some examples of solidarity economy enterprises are: worker cooperatives, burial societies, credit unions, cooperative banks, stokvels, communal property associations, community trusts, local community markets, development associations and member controlled mutual societies. A solidarity economy enterprise chooses voluntarily to be part of the solidarity economy process to achieve its vision, values and principles.

Key Steps to Establish a Solidarity Economy Process and Movement

- Step 1** - Form a Solidarity Economy discussion group. See COPAC's website for material. In this discussion group identify and approach a local catalyst to anchor this process;
- Step 2** - Invite COPAC to run training on the solidarity economy process and movement;
- Step 3** - Establish a Solidarity Economy Education and Communication Cooperative (SEECC);
- Step 4** - Convene a solidarity economic forum and process through the SEECC.

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