

The Social and Solidarity Economy in Latin America

The Social and Solidarity Economy in Latin America:

*The Development of the Common
Good*

Edited by

Pablo Baisotti and Horacio López Muñoz

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INTRODUCTION

THE SOCIAL AND SOLIDARITY ECONOMY IN LATIN AMERICA: STRATEGIES AND RECOMMENDATIONS FOR A CONTINENT IN CRISIS

PABLO BAIOTTI

Introduction

The capitalist economic-social system—and its neoliberal trend in particular—has produced numerous economic breakdowns, especially for the poorer classes in the countries of the “Global South” which were placed outside the commercial and lucrative logic. The Social and Solidarity Economy (SSE) has been able to counter this by using the polar opposite logic, fighting against inequality from the opposite side in order to tackle the many challenges posed at the global level, as this is one of the most effective ways—perhaps the most effective—of combating the repeated economic crises, which are also social, political and even cultural. It operates effective and deep transformative processes of the current economic system and confronts “global and faceless” capitalism in a radical and massive way in order to generate socioeconomic, political and cultural counter-alternatives different from those experienced. The SSE can be succinctly defined as an alternative mode of production, distribution and consumption, with the aim of building “another economy” in order to transcend the mere pursuit of monetary gain. In other words, a more inclusive, solidarity-based and “human” economy. Its immediate goals are: to ensure basic food supply, to eradicate poverty, and to promote decent work by providing equal opportunities (Coraggio 2012, 27; Lisandro, and Marques 2009; Pizzi, and Brunet Icart 2014, 49).

The SSE emerged fundamentally among the popular sectors, urban and rural, in a vigorous and contagious way that emerged in South and Central America as a cry of the forgotten of all ages. As a movement of ideas, the SSE became one of the main social movements to animate the 2001 World Social Forum in Porto Alegre (Brazil) and the subsequent forums. This Forum sought to open up a space for global, continental, national and regional exchange for those who struggle against neo-liberalism, against the world hegemony of capital and in search of alternatives to these phenomena. Previously, social movements and progressive organizations had converged to form the “Other Davos” (1999) which added to the protests against the World Trade Organization in Seattle (1999), against the World Bank in Washington, against the IMF during the European Summit in Gothenburg and other protests, such as those against the G8 in Genoa (Houtart, 2009, 127). It currently has diverse experiences and movements, as expressed by many social researchers (Coraggio 2002, 2005, 2006, 2008, 2011; Razeto 1999, 2002, 2010, 2018; Gaiger 2004, 2013; Arruda 2004; Guerra 2004, 2006, 2010; Mance 2002; Melucci 1999, 2001; Singer 2004; Da Ros 2007). As noted by Fernando Martínez Heredia:

In the 20th century, economies different from capitalism were organized and developed, originally based on the satisfaction of human needs and social justice. They mobilized the enthusiasm and promoted the capacities of entire peoples, and thus obtained very remarkable achievements in terms of distribution of wealth, rationalization and planning, efforts of development of sectors (Martínez Heredia, 2018, 2006, 220).

According to Pablo Guerra, a process of installing SSE themes can be observed in the region at three defined moments. Firstly, at the end of the 20th century, solidarity-based alternative economy experiences began to emerge, mainly in popular environments. Secondly, from the greater articulation between civil society actors and the emergence of the first SSE networks in the region. Thirdly, these issues were enacted in public policies at the local and then national level (Grupo Red de Economía Solidaria Perú, and Global Social Economy Forum, 2018, 12, 45; Guerra 2017)¹. In Argentina,

¹ For example: Bolivia (2007), Ecuador (2011), Colombia (1998), Honduras (1985), and Mexico (2011). SSE networks also appeared, such as: Red Latinoamericana de Comercialización Comunitaria (RELACC), Red de Investigadores Latinoamericanos (RILESS), Red Argentina de Comercio Justo, Movimiento de Economía Solidaria y Comercio Justo Bolivia, MEROSUR Solidario, Instituto Político para Alternativas para el Cono Sur (PACS), Red Latinoamericana de Socioeconomía Solidaria (REDLASSES), Red Intercontinental de Promoción de la Economía Social Solidaria (RIPESS), y la Red Universitaria en Estudios Cooperativos y Asociativismo

Bolivia, Chile, Ecuador, Mexico, Peru and Uruguay, for example, networks made up of civil society actors maintained, in most cases, a frequent dialogue with the political system. In Colombia or Venezuela, in addition to most of the Central American countries, several organizations promoting SSE were presented at the supranational level and networks were built that brought together actors such as producers and traders (Guerra, 2010, 69)².

The SSE was composed predominantly of unemployed and informal workers, who promoted and formed collective enterprises organized on the basis of cooperative, solidarity and ethical principles, through democratic participation in the relations of production and organization of work in multiple forms: cooperative, mutualist, ecological and self-managed movements; solidarity networks; popular groups; non-governmental and grassroots organizations; trade union associations; public institutions and those belonging to local, religious and academic authorities (Ruggeri, 2009, 221).

Aníbal Quijano maintained that the popular economy was based on workers who associated themselves with production and/or market institutions with the aim of providing income and/or lowering the cost of subsistence for their members (Jordán, 2012, 168; Quijano, 1998, 1999). The population, Quijano stated, was caught in the specific traps of the current phase of capitalism, accepting any form of exploitation to survive through the so-called “informal economy”. Thus, the growing masses of unemployed, especially those in industrial and urban sectors, began to move beyond the demand for employment, wages and public services, organizing themselves into networks of self-managed production and communal self-government (Quijano, 2004, 22, 27). At the same time, economic and social practices

(UnirCOOP), Forum Brasileiro de Economía Solidaria (FBES), Red de Economía Solidaria de Santiago Chile, Red de Economía Solidaria Colombia (REDESOL), Red Solidaria del Ecuador, Consejo Mexicano de Empresas de la Economía Solidaria (CMEES), Espacio de Economía Solidaria y Comercio Justo en Paraguay, Grupo Red de Economía Solidaria Perú (GRESPE), Grupo Red de Economía Solidaria de Perú, Unión Nacional de Cooperativas y Organizaciones de la Economía Social, Participativa y Solidaria de Venezuela, Coordinadora Nacional de Economía Solidaria (CNES) Uruguay.

² For example: the Coordinadora Latinoamericana y del Caribe de Pequeños Productores de Comercio Justo (CLAC), the Latin American chapter of World Fair Trade Organization (WFTO), la Red Latinoamericana de Comercialización Comunitaria (RELACC), la Red Latinoamericana de Tiendas de Economía Solidaria y Comercio Justo (ELAT) y la Confederación Latinoamericana de Cooperativas y Mutuales de Trabajadores (COLACOT).

were included which prioritized (at least in their beginnings) the most unprotected classes (Gaiger, Nyssens, and Wanderley 2019, 10-12).

According to Boaventura de Sousa Santos (2012), the intensification of globalization polarizes the North and the South in the world system, although in recent years the North and the global South have sought to collaborate (within the framework of the Sustainable Development Goals promoted by the United Nations, 2015) on common problems - although they are more pronounced in the global South - such as environmental issues, climate change, the energy and food crisis, the fight against poverty and human security problems, among others³. However, de Sousa Santos pointed to the predominance of multinational companies as agents of the “global market” and that, in the end, they were responsible for eroding state sovereignty by exacerbating, due to their technological advance, the North-South gap given the capital investments, scientific resources, skilled labor and labor shortages that they presuppose (Santos, 2018, 2012). The Second International Conference of the Celso Furtado Network in 2004 issued the Rio de Janeiro Declaration, which pointed directly at the neoliberal advance. It stated that

The economies of Latin America and the Caribbean have changed significantly since the years of the external debt crisis at the beginning of the 1980s [...] The neoliberal economic reforms implemented in the region over the last fifteen years have substantially modified the economy and society of the countries in the area. However, it has not been possible to make the economies more dynamic, reduce social inequality or lower poverty levels. Recent studies by the World Bank and ECLAC report these facts and point out that Latin America and the Caribbean is the region with the greatest social inequality. This inequality has increased over the last two decades. At the end of 2000, more than 128 million people were living on less than two dollars a day, which represents 25% of the total population of the area [...] Twenty years after the start of the neoliberal reform, the dependence of our countries on the outside world, and in particular on the United States, is greater than ever, and has changed forms. Our concern is greater, given that the program of the Washington Consensus has been implemented by democratically elected governments and, in many cases, after difficult processes of political transformation through which the

³ Between 2010 and 2014, South-South cooperation also increased, mainly due to the growth of regional cooperation on issues related to nutrition, health, education, employment, economic development and citizen security. In 2014, for example, the number of South-South cooperation interventions in Latin America reached 59 projects through various regional platforms, such as Sica, Can, Unasur, Mercosur and the Pacific Alliance.

peoples of the region have defeated dictatorships and authoritarian governments. Neoliberalism has not meant an absence of economic intervention by the state. In recent years there has been extensive state action in redefining the economies of the area. There is a continuous public management of diverse economic decisions, a consistent activity to reach the goals agreed upon with the international financial organizations, the systematic execution of economic policy measures to maintain the conditions of profitability of the capitals that privilege financial placements.

The functioning and adaptation of SSE experiences in Latin America has had varying success, but it is a fence that is being erected - with successes and errors - in the face of the advances of capitalism. As de Sousa Santos points out (2017), Latin America is currently experiencing one of the most destructive moments in its recent history “which is translated into the displacement of millions of poor peasants and indigenous peoples, into environmental devastation and the eternal renewal of colonialism and against people considered inferior and even non-human” (Santos, 2017, 110). In an essay written in 1979 (and updated in 1989 and 1991), Pablo Gonzalez Casanova pointed to the existence of currents of popular struggle for democracy, which were also a way of confronting capitalism. He mentioned those that were produced around specific objectives, such as maintaining or recovering legal forms, constitutional regimes, human rights, etc.; then those promoted from the field of labor or marginalized areas. Finally, González Casanova added the struggle for the territory of a sovereign people that was currently - and has been for decades - translated into the confrontation against forces of transnational domination, economic, military, governmental, cultural, such as capitalism and its most lacerating project for the peoples of the Third World: neoliberalism. At that time, the author stated that “liberation” was “democratic liberation with greater organic and practical participation of the people in the economy, in politics, in culture, in the State” (González Casanova, 2015, 198-200). More than 40 years have passed, and the issues sustained by González Casanova are still valid.

Organization of the book

Social and Solidarity Economy in Latin America. Strategies and recommendations for a continent in crisis are organized in 10 chapters.

The first three chapters deal with general issues of the Solidarity Economy in the continent. Juan Fernando Álvarez and Arturo Luque González analyze the evolution of the Social Economy processes through one 100

definitions in order to ascertain its implications and social dimensions. Guillermo Díaz Muñoz deals with solidarity alternatives in the capital market and the emergencies that occur in order to humanize the capitalist system, and at the same time as a truly disruptive, transitory or anti-systemic option for transformation. Horacio López Muñoz and Héctor Manuel Cortez Yacila carry out an analysis of the economic principles and the rationality of the people critiquing the neoclassical economic model which proposes the utility that a good can provide as a definitive goal.

The subsequent six chapters study specific national issues in relation to the Social and Solidarity Economy. Federico Li Bonilla and Monserrat Espinach Rueda investigate the socio-historical and ideological contributions of the Costa Rican cooperative movement from 1900 to 2016, taking into account Law N°16.954. The authors present relevant socio-historical aspects and compare the ideals of cooperativism and the law in question. Eduardo Enrique Aguilar elaborates on the phenomenon of the Social and Solidarity Economy in Mexico and approaches it from an essential perspective and in a manner not just relating to the phenomenological or immediate appearance. He also studies the construction of these alternative economic forms through a historical account of the formation of the capitalist production system. Fernando de la Cuadra reflects on various collectives and communities to undertake joint activities of solidarity and collaboration in Chile. Eric Dacheux and Gloria Fariás Maffet explain the specificity of the Latin American (and more precisely, Argentinian) approach to the SSE in comparison with the European (specifically, French) approach. They present a historical context as well as the evolution of the Solidarity Economy in both Argentina and France. Gustavo Oliveira analyses the trajectory of the Brazilian Solidarity Economy Movement through the lens of autonomy and the relationship between the state and the movements. He studies schemes of interpretation of both autonomy and the political context, and then, researches the Brazilian Solidarity Economy Movement. Cristina Ruiz del Ferrier and Alejandro Casalis offer an interpretation of the Social Economy as a subsystem in contemporary Argentina and its inclusion as public policy. They trace the origins of the Social Economy in Europe to its historical evolution throughout the 20th century in Argentina. Finally, Pablo Baisotti analyzes some of the recent conclusions on the COVID-19 virus in Latin America and the Caribbean issued mainly by ECLAC. He provides some post-pandemic recommendations for the reconfiguration of regional economic channels.

Pablo Baisotti
Buenos Aires, November 2020

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CHAPTER 1

HOW THE SOCIAL AND SOLIDARITY ECONOMY IS DEFINED: AN ANALYSIS OF 100 CONCEPTS

ARTURO LUQUE GONZÁLEZ
AND JUAN FERNANDO ÁLVAREZ

Introduction

The present chapter is an attempt to theorize and problematize the implications existing in the processes of the Social and Solidarity Economy (SSE) through the analysis of its definitions from an empirical, axiological and proactive viewpoint. With this objective, its conceptual deployment is analyzed, as is the set of existing contradictions and irradiations derived from its contextualization based on its theoretical construction (see Annex I).

On a preliminarily basis, despite the existence of extensive debates and associated studies on the dynamics of the SSE, it should be noted that the economy in general has changed, although many of its problems remain the same – in particular, poverty and inequality. Rising inequity and the ever-increasing concentration of capital in the hands of a small elite are directly affecting each pore of the world’s increasingly globalized and commercialized societies. It is not clear whether the processes of the SSE constitute a “new economic model” or if they in fact always existed and it was the preponderant economic system that appropriated the benefits when extracting and producing goods and services, thereby undermining the motivation to redistribute wealth and cover the needs of society.

This state of affairs has been reached as a result of various elements affecting the logical evolution of economic history through its mistakes and successes (Passet, 2013). The accumulation of capital by a small fragment

of society in whose hands a sizeable proportion of the wealth is concentrated depends on the dispossession of the rest (Harvey, 2007) and, ultimately, establishes the bad redistribution of wealth as a norm (Banerjee and Duflo, 2012). On the other hand, the dynamics of systemic corruption and moral decay intensify climate change processes, as well as fuel a continuous degradation of the natural environment based on the legitimization of polluting extractive and industrial processes which are ultimately incompatible with ethical and sustainable production (Luque, 2018; Naredo, 2004; Landrigan et al., 2017). The right to trade is raised as an aspect of fundamental rights based on a pseudo normative architecture shaped by particular interests. The benefits of transnational corporations (TNCs) prevail at the expense of a real redistribution that generates sufficient tools for the achievement of a dignified life (Hernández Zubizarreta and Ramiro, 2016). Expulsion processes of all kinds are derived in which, both by deliberate action and by omission, a large part of the globalized population is immersed (Sassen, 2015). Hence, even if society has identified part of its social pathology, it lacks the means to reverse an increasingly unsustainable situation (Bauman and Bordoni, 2016) thereby furthering a spiral that never ends (Laval and Dardot, 2017).

The situation described above has not always been in place. In the beginning, the economy developed in an inherently human-centered manner in order to serve, in the best possible way, the legitimate needs and desires of all members of the community. It was at the service of a social model focused on contributing to life within a society (López, 2011, 21; de Castro Sanz, 2013, 33). As such, the economy is pluralistic and cannot be limited solely to commercial and monetary terms (Chaves and Monzón, 2019). The economic must not be separated from the social; for this reason, Mauss (1979) points out that the economy implies a triple obligation to give, to receive and to return. Hence, the current economy and its origins, based on the redistribution of wealth, have developed in favor of situations that generate manifest inequality and incessant profit; sometimes, these culminate in misappropriation even through legalized mechanisms exempt from all morality (Francisco and Bergoglio, 2015). In the words of the sociologist Laville (2009, 126), “the protection of society against the market cannot arise from the simple abstract solidarity of social law and redistribution, although it is essential: the promotion of new active solidarity is required”.

Given this landscape, it is worth asking whether economics is still a science¹. Beyond introducing a new element to ponder in the current academic debate, it is evident that the new models of financial speculation allow the possibility of obtaining different results from similar conditions, a circumstance that puts one of the basic pillars of all science in difficulty: the need to produce replicable results in similar conditions. The implications of this new paradigm bring us into the field of the unknown, but at the same time clearly identifiable constructs emerge, such as the consequences of financial speculation (Swedberg, 2010), replacing productive capitalism with a “casino capitalism” (Navarro, 2014).

According to the current economic architecture employed in the processes of globalization, the best way to meet the individual and collective needs of society is to buy. More precisely, the ‘buy-throwaway-buy’ model serves an articulated economic and social system based on continuous growth, regardless of its unsustainability within the limited resources of the planet (Gorz, 2001). This argument has already been advanced by Debord (1992) and Baudrillard (1970), who pointed out that the complete commodification of social life threatens to erase all public space. In some cases, these aspects are amplified by ephemeral qualities that are perfectly designed and immediately accessible (Lipovetsky, 2004). According to Arsuaga (2019), “life cannot be working all week and going to the supermarket on Saturday. That cannot be. That life is not human.”

The concept of equality can be best understood when constructed on the basis of two variables, dependence and expenditure. Under this definition, equality in society can be judged not on effort but on resources, an aspect conditioned by the individual’s place of birth, therefore, implicitly including a supervening character. It should be noted that when a society is fair, equality is easier to achieve and greater peace will develop. In addition, the society saves expenditure on preventative social measures when the state policies are all focused through a more socially-directed prism (Wilkinson and Pickett, 2011).

Thus far, the concepts underpinning the SSE appear scattered and blurred in the literature. Many authors concentrate overly on abstraction while others start from a more utopian basis. The objective of this chapter is to

¹ Volume 255 (Nº 17-18) of the *European Physical Journal ST* (2016) is dedicated to the possibility of contemplating economics as a physical-economic-physical science, evidencing its differences through human interference.

analyze the literature, taking into account transversality and dynamic nature of the field.

Based on a thorough analysis of academic texts on SSE processes and related areas – including economic globalization, governance, human rights, poverty, inequality, the cooperative sector, sustainability, inclusion, the environment and corporate social responsibility – 100 publications, covering a wide range of theoretical approaches, were collected (Annex I). These articles were then categorized in relation to the seven dimensions of SSE processes: economic, social, environmental, legal, political, ethical and cultural (Luque and Herrero-García, 2019). From this basis, a reliable theoretical concept of the SSE was constructed and contextualized according to the analysis framework, taking into account its intrinsic weaknesses. The search process, using Google, helped identify the real impact of each definition and allowed us to break down a good part of the complex phenomenon of the SSE. For this purpose, the necessary factors that contribute to generating SSE processes are analyzed, as are their institutionalization and normative construction. To this end, it helps to clarify whether SSE processes, by emphasizing equality, sustainability, good governance and responsibility, are really developed in their definitions, or whether, by excluding certain necessary conditions, they achieve the opposite of the aims they promulgate.

Methodological approach

The academic community has carried out intensive research in order to define and conceptualize SSE processes. In fact, the concept of the SSE is a new one, derived from two separate but interrelated fields of knowledge: the Social Economy and the Solidarity Economy, which have already been widely defined (Singer 2002; Laville, 2010; Pérez de Mendiguren and Etxezarreta, 2015). In addition, there are various tools and correlated perspectives that enable people's needs to be met while protecting them from arbitrary market forces. These include reciprocity economics (Temple, 1983), the economy of the common good (Felber, 2010), the economy of care (Esquivel, 2011), the economy of happiness (Anielski, 2007), community economy (Shaffer, 1989), collaborative economy (Gold, 2004), ecological economy (Alier, 2001), circular economy (Stahel, 2016), labor economics (Coraggio, 2011), popular solidarity economy (Razeto, 1984), among others. As indicated by Dembinski (2004, 98), they all “ensure and contribute to the economic act, being the instrument of realization and the development of men and communities and not the act of their submission”.

The SSE, despite not being a novel concept, has taken form and had an increasing impact in the last two decades, with rising awareness of the concept in many supranational organizations and states. In some cases, it is even recognized constitutionally, as in the case of Ecuador's Constitution of 2008, albeit with an uneven result in terms of its implementation and deployment. The European Union lists 2.8 million companies and other entities of all sizes involved in Social Economy processes, between them representing 8% of the bloc's GDP (Euromed, 2018). In addition, the Social Economy employs more than 19.1 million workers, 82.8 million volunteers and 232 million members of cooperatives, mutuals and similar entities in the EU (European Commission, 2019).

The idea of the SSE was created in the initial phase of industrial capitalism by the workers of the time, in response to poverty and the lack of labor regulation and in the face of the emergence of the new technologies of mass production. Originally, the SSE drew on both the prevalent mores of Christian morality and the social self-legitimization of the working classes, aligned with many other social and political movements of a socialist or anarchist nature. This approach, in turn, attempted to reconcile the economic and the moral realms (Azam, 2003, 151). In another of its aspects, the philanthropic drive of the SSE was guided by the objective of what Donzelot calls the "conservation of children", laying the foundations of the social reforms of the 19th century aimed at the bettering the lives of the poor (referred to as "popular families") in comparison with those of "bourgeois families" (cited in Danani, 2004, 15). Another source of inspiration was the texts of Polanyi (1944) on the theoretical construction of the structuring principles of production. These pivot on the pressing reality of human needs. Several principles are introduced into the real economy, and monetary gain is not the only element to hold weight; in fact, its inclusion does not necessarily represent the dominant principle.

At present, there are many groups with aspirations to incorporate the "social" universe into their interests, including alternative-world, ordoliberal²,

² Ordoliberal is the German version of economic liberalism. The concept originated in the inter-war period and is associated with the "German miracle" of the 1950s and 1960s. It emphasizes the creation of a strong framework, the liberalization of prices, the creation of an independent central bank, and the fight against limitations on competition. In order to gain support across society, the possible excesses of capitalism were countered by means of social insurance, social housing and support for small businesses. It was financed through a tax on benefits and the extension of levies on consumption (Rimbert, Knaebel and Denord, 2015, 22-23).

collective and business-oriented streams of thought. Various concepts have emerged, such as the “social market economy” or “green capitalism”, the latter aiming to incorporate social and environmental factors into market developments and establish sustainability as a generalized global business trend. Despite such lofty aims, too often the actions promulgated by TNCs and governments (through their normative policies) deliver results that are in reality very far from these ideals (Luque, Zubizarreta, and de Pablos, 2016).

TNCs produce huge impacts through their industrial developments, both in terms of obtaining and developing their goods and services, and due to lack of diligence by local agencies responsible for oversight. TNCs have no responsibilities beyond those stipulated by law, and are able to take advantage of this fact in environments with manifestly weak mechanisms for control and supervision. Another factor to their advantage is that they are based on global production chains which can take advantage of unlimited relocation processes with the purpose of usurping all labor links between overseas installations and the parent company. In addition, TNCs’ in-house reports on the impacts of their production processes, such as pollution, often lack all scientific credibility – compared to independent studies by, for example, public research institutions – and should be seen more pseudo-studies sponsored by industry to serve its particular interests (Alier and Jusmet, 2015; Johns and Oppenheimer, 2018; Luque and Jiménez-Sánchez, 2019). This is why SSE processes are being promoted, in the face of the preponderant lack of transnational corporate ethics.

Table 1 presents a timeline of the development of the terminology, meanings and concepts associated with the SSE, as well as the needs tackled by SSE processes throughout history, making their marked political and social influence apparent.

Table 1: Chronology

Author	Concept
Dunoyer, 1830	Publication in Paris of a new treaty on Social Economy.
Pecqueur, 1842 Vidal, 1846	Inclusion of SSE processes within the concept of utopic post-socialism.
Ott, 1851	Creation of a social economy treaty.
le Play, 1864	Emergence of Social Christianity (Social Economy Foundation) and the magazine <i>Social Economy</i> .
Malon, 1883	Inclusion of social aspects in a Social Economy treaty of 1883.
Durkheim, 1897, pg. 33	Social Solidarity
Gide & Rist, 1949	Espíritu solidarista (Escuela de Nimes). Spirit of solidarity (School of Nimes).
Desroche, 1987	A number socialist-leaning philosophies developed in 19th-century France, including a socialist school, a reformist Social-Christian school, a liberal school and a solidarity school characterized by its economic and social focus.
Gueslin, 1987	Inclusion of a secular and republican branch in solidarity.
Pflimlin, 1988	Frédéric-Guillaume Raffaisen founds the first rural credit banks in Germany and thus became the father of agricultural cooperative credit.
Kropotkin, 1995	Collaboration and cooperation to work on common problems from which everyone suffers.
Mauss, 2010	Development of economy of voluntary socializations.

Source: Compiled by the author

Analysis and discussion

Definition of dimensions in the SSE processes

The selection and classification of the dimensions of the SSE must take into account its deep interconnections with related fields. These related concepts can be grouped according to seven dimensions: economic, social, environmental, legal, political, ethical and cultural (Table 3) (Visser, 2006; Torugsa et al., 2013).

The economic dimension has a strong social component. It is based on the redistribution of economic benefits and their implicit, although limited, common good. Within a spatial and temporal delimitation, new, more democratic practices and procedures can be assumed and established, such as the inclusion of solidarity and insertion companies; the promotion of new solidarity companies; social initiative cooperatives (general savings and credit); associations and foundations that carry out economic activities for social purposes; third-sector labor societies; initiatives that promote fair, solidary and/or ecological trade and so on, evidencing a new responsible yet profitable management and production model developed from an alternative economic point of view, that is, a more human one.

The social dimension intrinsically develops a clear transformative component (Spear, Defourny and Laville, 2018). Through a network model, local structures (small enterprises, all types of communities), regional structures (within the country itself through the adaptation of existing institutions) and global structures (interconnected worldwide to both sell and acquire goods and services) can all constitute tools of social change. In addition, the social dimension of this new paradigm includes meeting the needs of the underprivileged, of those currently excluded from the mainstream economic and social system, thereby affecting the quality of life of people today and that of subsequent generations.

The environmental dimension focuses on the failure by companies and other kinds of organization to pursue development that is harmonious with the various existing ecosystems, as well as the lack of sensitivity to the real needs of society – an approach which would require the abandonment of economic models based on hyper-unlimited consumption (Luque, 2017). In fact, the evolution of collective action institutions shows that the state and the market are unable to achieve a productive use of natural resources on an ongoing basis (Ostrom, 2000, 26). The current productive model considers the existence and use of natural resources to be something inherent to the

life of human beings – “a dimension of social life” (Draperi, 2011, 222) – thus legitimizing their unbridled use without taking into account the implications and consequences. According to Steiner, the UN Development Program administrator:

The bitter truth is that those who are rich enough will buy their way out. They will buy higher ground; those who are rich enough will move out of the island nations that will disappear due to the rise of the oceans, they will be able to pay double the premiums to insure their properties against floods and put more air conditioners in their homes. Some begin to use the northern sea route and celebrate the fact that Arctic ice is melting, which facilitates the transport of fossil fuels. It is the irony of the early 21st century: climate change is a very cruel phenomenon because it has begun to punish those who have contributed least to it. But at some point, even with all the money in the world, you are not going to buy a different future. (Steiner, 2019)

The legal dimension refers to the implementation of legislative and regulatory measures, with particular interests in many cases undermining the general interest (Li, 2019). These measures comprise processes of liberalization, deregulation, lack of competition, monopsony, bespoke legislation, obscurantism by lobbies, democratic limitation, privatization of profitable public companies, tax reforms in favor of the prevailing economic model, protection of economic law over human rights, and normative asymmetries in free trade agreements with scarce methods of reversion and democratic control, in addition to the imposition of private arbitration tribunals in order to undermine national policies as a tool of domination of states or the imposition of wage containment processes tailored to ETN, etc. It is possible to ignore empirical evidence that refutes such processes, making it impossible to carry out reversal processes in the face of the deployment of legal, economic, political and media resources concentrated in favor of transnational production over another series of more responsible behaviors (Porta and Zumeta, 2002; Luque and de Pablos, 2016).

The political dimension of SSE processes is built on the basis of civil society's response to a series of national and supranational policies – often wrongly called the “collaborative economy” – with largely negative results that lead to precariousness, poverty, exclusion and inequality (Teitelbaum, 2010; Sassen, 2012; Standing, 2013). It is in this context that civil society articulates all kinds of mechanisms of action, from civil disobedience as a legitimate protest, to the creation of policy tools with a normative character carried out under SSE processes, opening the door to a contextualized global governance based on real needs and not only attending to the financial benefits of capitalism (Wanderley, 2004; Ferrarini, Gaiger and Veronese,

2013; Monzón and Chaves, 2017). According to Stiglitz (2019), “The simultaneous loss of confidence in neoliberalism and democracy is no coincidence or mere correlation: neoliberalism has been weakening democracy for forty years”.

The ethical dimension speaks of the degree of commitment of business leaders and managers, based on the evaluation of their actions. For this, it is necessary to establish less accumulative and more redistributive principles of wealth, such as those encapsulated by the SSE. The processes driving the degeneration of ethics can be associated with the loss or dismantling of the principles by which a society is governed in favor of particular interests. At present, there is a need to generate awareness of “how things should be done” according to categorical principles of morality, instead of blindly accepting preponderant – even legalized – criteria, such as the maximization of benefit, which undermine the legitimization of peoples, social realities and human dignity.

The cultural³ dimension brings together legitimate and necessary conflicts and interests, as well as different expressions of cultural diversity, such as social class, ethnic identity, religion, nationality, regional identity, language, taste, sex, tradition, power or cultural heritage. Many of the elements that make up the cultural dimension have been dismissed in favor of a remote-control modernity organized from distant centers of decision-making and control, hence the need to adapt the current development model to the particular characteristics of contemporary societies. There is a need to establish culture as the vehicular element of all types of economic development that are considered social (Hofstede, 2011).

³ See the first Intergovernmental Conference on Institutional, Administrative and Financial Aspects of Cultural Policies held in Venice, Italy, August 24 – September 2, 1970; <http://www.unpi.com/clem/unpostcards/UNESCO1.asp>

Table 2: Dimensions, coding and searches related to the SSE

Dimension	Coding of the definition	Examples of chain of searches
Economic	Economic or financial factors which affect SSE processes	<ul style="list-style-type: none"> ‘new models of production’ ‘local economic development’ ‘economic inclusion’ ‘globalization processes through financial expulsions’ ‘economic impact of the SSE’
Political	Normative regulations of SSE based on political commitment	<ul style="list-style-type: none"> ‘promotion of SSE processes in the global economy’ ‘introduction of SSE products and services in traditional economy ‘constitutional responsibility with the SSE’ ‘political commitment transnational regulation’
Social	Relation and effects between the SSE and its incidence in society	<ul style="list-style-type: none"> ‘redistribution of wealth’ ‘consumption limited to needs’ ‘quality of life’ ‘social inclusion’
Cultural	System of values, beliefs and ways of mentally constituting a society	<ul style="list-style-type: none"> ‘group membership’ ‘collective identity’ ‘conservation ancestral traditions’

Environmental	Natural environment	<p>'pollution' 'recycling' 'self-management of waste on its own,' 'sustainable and responsible developments,' 'contribution to the maintenance of biodiversity' 'extractive processes'</p>
Legal	Relations established by law which produce normative reliability	<p>'protection of human rights' 'decent employment' 'increased rights and social labor regulation' 'empowerment of control and regulation bodies' 'new forms of partnership'</p>
Ethical	Principles under which SSE processes should be governed based on ethical and moral values	<p>'moral commitment' 'solidarity' 'common benefit' 'collegiate decisions' 'fair wages and trade'</p>

Source: Compiled by the author

Digest of definitions of Social and Solidarity Economy

The experimental procedure begins with the predetermined search for conceptualizations of the Social and Solidarity Economy developed within the academic world, by expert professionals, and by active subjects of institutional life. To do this, keyword chains such as those exemplified in Table 3 were entered into the Google Scholar search engine. The previous delimitation of the search strings, concomitant to the literature review, was structured on the aforementioned seven dimensions of the SSE.

This process was carried out between February 12 and May 20, 2019, and resulted in the collection of 100 units of analysis (UAs), presented in Annex I. This, according to similar studies, is an adequately sized sample on which carry out a qualitative study (Luque and Herrero-García, 2019). After counting the number of times each one of the 100 definitions was quoted or referenced on Google, the incidents were sized according to the coding established (Table 3) and the corresponding absolute frequencies (f_i) were obtained, as shown in Table 1 of Annex I. This stage involved setting some boundary conditions for the inclusion of a particular UA, namely: 1) it must contain at least one scientific reference; 2) it is not replicated in different databases, 3) it appears in one or more categories/dimensions, up to a maximum of seven.

Study on the dimensions of the SSE

Once the qualitative approach of this study had been established, the next stage was to explore the scope of each category, as well as its contribution to the SSE processes.

The 100 UAs were assigned to one or several categories, up to a maximum of seven, and the number of times (f_i) that the SSE concept had been used in a time period of approximately three months was counted. Additionally, the association of any of the seven dimensions ($j = 1, \dots, 7$) with any given unit of analysis (k) was used to calculate the absolute frequencies in the corresponding f_{kj} , that is, the f_i of a unit of analysis, k , associated with a dimension, j . Thus, it was possible to obtain the relative weight of each dimension (PD_j) according to equations 1 and 2, respectively:

Equation 1:

$$CD_j = \sum_{k=1}^y f_{kj}$$

Where:

CD_j is the scope of each dimension, j

f_{kj} is the frequency of positive Google searches for each unit of k associated with a dimension, j

Equation 2:

$$\% PD_j = \frac{CD_j}{\sum_{i=1}^x f_i} 100$$

Where:

PD_j is the relative weight of each dimension, j , in %

f_i is the absolute frequency of occurrence in Google Scholar of each bibliographic reference or UA over a given period of time

The data obtained are shown in Table 3. The social dimension is the one that contributes most to SSE processes, with a factor of 86%, while the environmental category is the least representative (19%).

Table 3: Dimension reach

j	Dimensions	CD_j	$\% PD_j$
1	Ethical	1509	70
2	Legal	848	39
3	Social	1858	86
4	Economic	1737	81
5	Environmental	411	19
6	Cultural	600	28
7	Political	1095	51

Source: Compiled by the author