

## Chapter 12

# The solidarity economy: emancipatory action to challenge politics

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[In Genevey R., et al., \*Reducing Inequalities\*, New Delhi, Teri Press, pp. 233-249.](#)

[Quote original edition](#)

### Introduction: the era of disaffiliation

In his analysis, the sociologist Robert Castel, shows that today, although social security has continued to expand since the post-war era and still covers a large part of the French population, and despite the fact that the labour law and the welfare state remain strong even in the face of longstanding social criticism, the category that Castel calls the "disaffiliated of the wage society" continues to grow. This category applies to those people that the last twenty years of sociological literature has described as excluded (i.e. the long-term unemployed) and those that are experiencing a series of transient and precarious work situations (which has also been discussed for a long time but is now increasingly common) (CASTEL and HAROCHE, 2001).

Falling outside of the spectrum of occupations included within the wage society, which constitute the primary labour market (where people still benefit from collective agreements, trade union support, insurance, etc.), the disaffiliated make up a secondary market of unemployed people and permanent temporary workers whose services are only of intermittent interest to companies (CASTEL, 1995). This market is composed of "supernumerary", "unnecessary" people, who no longer even have the opportunity to be "exploited" by a company and to be alienated by repetitive and monotonous work, since they are deprived of long-term employment and forced to accept positions that offer a "half-wage", a "split salary status" or, in particular, a "low-paid wage". These types of jobs, which are considered as "atypical" (short-term contract, temporary, part-time, insertion, odd jobs, holiday cover, trainee positions...) have become widespread<sup>1</sup>; and while the salaried status remains the dominant form of work organization, we are probably witnessing a rapid deterioration in the status of wage-earners towards a level that is "below" that of traditional employment (scheduled to last for an indefinite period) and no longer enjoying all the prerogatives of labour laws and social protection (CASTEL, 2007, p. 416-418).

For ten years, many authors have confirmed the analysis that identifies the return, among a large number of pervasively present inequalities (gender, race, etc.), of a fundamental inequality that is creating a hierarchy between two social classes (CHAUVEL, 2001, 2004, 2006). In the twenty-first century, this inequality is no longer that which existed between the bourgeoisie and the working class. It has in fact become an inequality that separates a large disaffiliated class, the members of which do not currently realize they are grouped within it, which consists of unemployed people and those that have become the

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1. 74% of new contracts in 2006 (CASTEL, 2007).

holders of downgraded jobs, from the middle class<sup>1</sup> (CASTEL, 1995, 2007, p. 415) which is disappearing from the bottom, since their social prerogatives are said to strain flexibility and competitiveness<sup>2</sup>.

This new bi-polarity of social inequality is not only an inequality of "affiliation" in the traditional sense of the wage earning society. It also combines geographical inequality which, despite what we may like to believe, is not only present between North and South. Unemployment and precarious work are concentrated in certain segments of the population, in certain regions and in certain neighbourhoods. Throughout the world there are ghettos, either actual or quasi-ghettos, whose inhabitants do not have the slightest chance of being saved by a miraculous integration into the global economy. Instead, the logic of the capitalist flow continues to marginalize these "black holes", as the sociologist Manuel Castells points out, because the locations of wealth generation are connected via telecommunications (CASTELLS, 2000). The selective connections of capitalism circumvent these undesirable neighbourhoods or regions where the inhabitants cannot even expect a decent education (this is the situation in certain Parisian suburbs, U.S. cities with declining populations such as Detroit, the Chinese countryside, in Indian and South American slums, throughout almost the entirety of Africa...).

Nonetheless, within these "black holes", which are home to the majority of disaffiliated people engaged in precarious work, life organizes itself. New associations and cooperatives are formed on a regular basis, the purpose of which is to allow members to re-establish social relationships and engage in the solidarity economy that is necessary for their survival. The main hypothesis of this paper is that the strength at which this associative movement is currently developing not only enables a partial easing of the rate at which the wage society is eroding (what the public authorities expect from it everywhere in the world), but that it also contains the seeds of another economic model, which is radically alternative, self-managing and non-capitalist. We will see that many members of the middle class are intuitively sensing the threats to the traditional wage society to which they are still integrated, and are engaging with the disaffiliated. Their efforts are not only based on charity: they live in the knowledge that at any time they may be downgraded to the less stable type of employment offered by the second deregulated labour market. A strong local solidarity economy could someday be important to these people, not just as mere volunteers or consumers of the goods and services that such a market offers.

The first part of this article focuses mainly on understanding the solidarity economy, with the help of quantitative data and examples of initiatives from Europe, the Anglosphere and Asia. The second part deepens the analysis with regard to the observation that the solidarity economy is an alternative in which, in the words of Karl Polanyi (1985), the economy is re-embedded into politics and democracy. We note that the solidarity economy combines two fundamental dimensions: first, although the middle classes participate in the solidarity economy, it is largely initiated *by* and *for* this new disaffiliated class regardless of the country or continent; secondly its utopian outlook is that of the overthrow of capitalism (as distinct from the market) since its organizational model draws much from associationist socialism and the libertarian principles of the nineteenth century that have been described elsewhere (FRERE, 2009).

However, it is precisely the failure of the associationist socialism movement, which is caught between Marxism and liberalism, that has taught us that such a model must be politically focused and organized to be effective. Finally, the last part of the article is devoted to the question of whether the solidarity economy today has the strength to assert itself as what it means to be, namely, an alternative potential model, rather than what the market and the State wants it to be: a management and accounting tool for tackling unemployment and disaffiliation.

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<sup>1</sup> The middle classes are those that fall, said Castel, along a continuum of differentiated professional positions ranging from minimum wage workers to those in higher (senior) posts, but all have the same rights in terms of labour laws and its regulations, as well as in terms of the State and its social benefits.

<sup>2</sup> Germany is a case in point. It addressed the current financial crisis through the multiplication of "small" poorly paid jobs, that are under-protected. This was made possible by a massive reform of the labour market that was voted for in 2004 (Hartz IV reform).

## An international economic revolution from below?

As Jean-Louis Laville (2011) emphasized in his latest book, a revival of associationist socialism, assimilated to the solidarity economy, is underway on all continents. We can see this in the people's economy of Latin America, in Africa's informal economy and in the social economies in Asian and English-speaking countries (the notion of "social economy" is only now beginning to be distinguished from that of the "third sector" or "charities"). All of these different forms share common practices. Today, the commonly held view is that four elements comprise the alternative solidarity movement: social currency, solidarity-based finance, North-North or North-South fair trade, and local services. All these initiatives, which occur in different variations in the North and the South, have such a vast scope that for the last fifteen years a number of specialists, such as Ortiz and Munoz, have been sufficiently confident to talk of a "counter-hegemonic globalization" (ORTIZ and MUNOZ, 1998).

The element of finance and solidarity-based savings includes a diverse range of structures, for example in France there are savings associations such as CIGALES (*Clubs d'Investisseurs pour une Gestion Alternative et Locale de l'Épargne Solidaire* – investment clubs for alternative management and local solidarity savings) and credit unions such as *Garrigue* or the larger *La Nef* (*Nouvelle économie solidaire* – New fraternal economy), which invest in cooperative micro-initiatives that have been set up by and for collectives, precarious workers, unemployed people or people who no longer wish to hold the status of temporary workers or employees, positions that they found alienating. Most of the structures of so-called "North-North" solidarity finance have precise specifications that require, in order to qualify for funding, a structure to incorporate some solidarity dimensions relating to, for example, the social or cultural sector. Of course, the issue here, which is sometimes problematic, is to avoid reproducing micro-capitalism on a small-scale (or "barefoot" capitalism as Serge Latouche (2003) would say, targeting in particular Muhammad Yunus's micro-credit in Bangladesh), which only results in an application of the conventional market rules. Through this method of financing, various fair trade and "local" organic shops have been created, in France and elsewhere. The figures speak for themselves. While the first citizen club of CIGALES savers was established barely 30 years ago, the French territory is today covered by 136 associations that currently support some 350 companies and 1,800 potential (self-) employment positions. *La Nef*, which was formed just 24 years ago, now has 31,000 members – mostly drawn from, just like CIGALES, the middle classes that populate what Castel calls the primary labour market (engaged employees, militant civil servants, retired small-business people...). In 2010, *La Nef* invested 20 million euros in more than 350 projects.

The rise of solidarity-based finance has also taken place internationally: in 2006, Jean-Michel Servet noted that from 1997 to 2004, the increase in the number of clients and projects supported by organizations of solidarity finance members of the International Network INAISE<sup>1</sup> was 36%. In Japan, for example, the first community bank (Bank Mirai) was set up in 1994. Citizens who placed their savings in this bank are able to choose the micro-projects in which they want to invest, provided these projects relate to environmental, social or cultural sectors, and the project implementers are also members of the credit union. Today, throughout Japan there are 12 such banks (known as NPO banks). The smallest are composed of around 20 members and have capital amounting to several thousand dollars, while the largest have up to 500 members and their investments in 2010 amounted to 2 million dollars (MAKINO, 2011).

Social currencies constitute a second group. They have a long history that we will not reproduce here<sup>2</sup>, suffice to say that, while rare and isolated throughout the twentieth century, they underwent a major worldwide development from the 1980s, mainly in Europe, North America, South America and Japan. Jean-Louis Laville estimates that there are now some 2,500 such associations, which have a total of 1.5

1. International Association of Investors in the Social Economy.

2. In France, the first experiment of this type was the People's Bank created by libertarian anarchist Proudhon in 1848 (on this topic, see: Frere B., 2009, *op. cit.*). Reference is made to other European and American experiences in chapter 10 of the book Blanc J., 2000, *Les monnaies parallèles. Unité et diversité du fait monétaire*, Paris, L'Harmattan.

James Johnson 11/1/13 10:09

**Commentaire [1]:** Pour la référence, est-ce que ce n'est pas J. Blanc plutôt que L. Blanc ? Nous avons changé ici mais merci de confirmer.

Bruno Frère 13/1/13 22:14

**Commentaire [2]:** Vous avez raison !!!

million subscribers (LAVILLE, 2011, p.148). Their main representatives in France are the local exchange services (*Services d'échanges locaux* – SEL). These groups of people practice the multilateral exchange of goods and services using a voucher system, that is to say, their own unit of account<sup>1</sup>, enabling the measurement of the value of internal transactions. Services are also exchanged, such as repair work, babysitting, language courses, etc. Some of the poorest associates are able to live off the fruits of this exchange. It should be noted that the French example (there are currently about 300 SEL in France), as well as Italy's time bank and Germany's *Tauschringe*, are based on units of account that are not generally exchangeable into euros. The challenge is to avoid the commoditization of goods and services that would lead to their valorization and devalorization according to their traditional market price. The Local Exchange Trading Systems (LETS) is the Anglosphere's version of this structure, which is present in Australia, Canada, New Zealand, United Kingdom and the United States. LETS enable the matching of their alternative currencies to the dollar, so as to give their poorest members the opportunity to convert their earnings, allowing them to obtain the non-accessible elements that are necessary to their daily lives in the LETS.

Today, we cannot discuss social currencies without mentioning the Argentinian example. Here, in the mid-1990s, the first "barter clubs" were established in Buenos Aires. They were spectacularly successful and the idea was rapidly replicated by the disaffiliated and middle classes from the quasi "black holes" that were in effect most of the cities in Argentina. They boomed to such an extent that it quickly became necessary to create a global barter network (GBN) to ensure a certain amount of mutualisation. However, the network became so large that the exchanges between members of different clubs – who took the name *nodo* ("node" in the network) – became difficult because there was nothing to structure the equivalences between all currencies. The GBN therefore decided to create a single currency: the *crédito*. The phenomenon continued to grow until several problems appeared in the early 2000s: inflation due to the over-issuance of *créditos*, the relocation of several clubs which then (re-) created their own currencies, regionalization (and division) of the GBN, the creation of a social franchise... Despite the success of the bi-monthly *mega férias* (mega markets), which were supported by the Secretariat of Industry, Trade and Labour, as well as the municipality of Buenos Aires<sup>2</sup>, the system eventually imploded, after reaching a membership of more than 5 million people across Argentina. While there are only about twenty *nodos* left in Buenos Aires, with around 4,000 members and each operating with their own currencies, the fact remains that the Argentinian experience has shown that it is possible to set up a large scale economic system that not only incorporates the poorest, but also redraws the rules of economic exchange, since in this case, hoarding is unnecessary and a strict social equality exists between members: all goods and services have a value that is measured in time (the time taken to make the good or provide the service) and is not based on supply and demand. One hour of a CEO's or university professor's time is worth no more than that of an artisan or manual worker.

The Japanese example may be referred to in response to those who argue that any parallel economy, which is neither public nor capitalist, is systematically doomed to suffer the same decline as the Argentinian case. In Japan, the *yichikris* network brings together 270,000 associations that are autonomous and independent from the state (each consisting of 180 to 400 households). They offer all kinds of proximity goods and services to their members. As François Plassart wrote, "what *yichikris* show is that autonomous spaces of self-managed solidarity can exist in the in-between space that separates the family from the market economy, which separates the family and public services" (PLASSART, 1997).

The third element comprises the North-North or North-South examples of fair trade, which in France is embodied by networks such as the *Biocoop* shops, and the AMAP<sup>3</sup> (for North-North exchanges),

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1. *Le grain de SEL, le Pigalle, le Piaf, le caillou*, etc.

2. Following the model of "*la Fabrica*" on the property of the former textile factory La Bernalesa in Quilmes, where in 1997, 600 people exchange goods and services (electricians, hairdressers, accountants, artisans, cooks, teachers...). See in this regard the website of There Are Other Alternatives: [www.taoaproject.org](http://www.taoaproject.org)

3. Associations for the maintenance of small-holder agriculture.

and *Artisans du Monde* and *Andines* (for North-South). While it only represents 0.02% of the current global trade, the figures concerning fair trade are steadily increasing – in 2007 the estimated total sales in France stood at 241 million euros, which represented an increase of 157% since 2004. Worldshops, such as *Artisans du Monde*, could be counted on the fingers of one hand in the early 1970s, in the country where they originated: the Netherlands. Today, there are more than 3,500 (involving over 60,000 volunteers and 4,000 employees) across 18 European countries. Naturally, this sector is not immune from tensions, such as those that are increasing between the worldshops movement and the so-called "certification" one, the main representative of the latter being Max Havelaar. The certification group considers that it is important to get their labelled products into supermarkets in order to reach a larger public. Conversely, the worldshops group criticizes the attitude of supermarkets for the "depersonalization" of the relationship between the consumer of the North and the producer of the South, whereas fair trade was originally intended to bring the two together (by organizing meetings, providing clear information in stores on production conditions and the identity of producers, etc.). Besides which, it has become evident that supermarkets have only been using fair trade as a showcase. Over the years they have not increased the shelf space devoted to such products or changed their draconian attitude towards their suppliers and staff<sup>1</sup>.

The most interesting aspect of fair trade is no longer only the charitable impulse that, for the last forty years, has led Northern civil society actors (mainly from the middle class) to associate themselves to Southern producers in order to overcome the inherent injustices of international markets that the latter suffer from. Now, for the last 10 years, we have seen examples emerge of North-North and South-South fair trade, representing new kinds of production and consumption cooperatives. In this respect, the French AMAPs are particularly interesting. Without providing a detailed historical account that goes back to the nineteenth century – which would, for example, include a reference to the *Commerce véridique et social*, the first true consumer cooperative initiated by Michel-Marie Derion in Lyon in 1835 (BAYON, 2002) – it is estimated that the first AMAP-type contemporary cooperatives appeared in Japan in the 1970s. The first *Teikei* (which means "cooperative") originated as a citizen reaction against intensive agriculture, which was then thriving, and enabled 11 families from Tokyo to sign a contract with a number of local farmers that did not use chemical inputs (ZIMMER, 2011). The concept was so successful to the point where today, one Japanese family in four participates in a *Teikei*. In the United States in the mid-1980s, the first CSA (Community Supported Agriculture) groups were organized in Massachusetts and New Hampshire. As was the case in Japan, the reasons behind this movement were both ideological and health-related. CSAs were also a great success in Canada, where more than 100 farms work with around 8,500 homes in Quebec alone. While in the United States, the last census reported almost 13,000 CSAs [Charlebois, 2011; FLORES, 2006].

The French AMAPs were developed later, the first one being established in 2001, but they operate in identical ways. They aim to provide their members with quality food produced close to their town or village, in exchange for involvement with the farmer regarding its distribution and/or production. The sharing of these tasks gives members access to organic products at a lower cost by the avoidance of a series of intermediaries. These initiatives represent an alternative to the industrial "organic" products sold by the supermarkets and, in particular, have the effect of relocating the commodity exchange, this is a point on which fair trade remains environmentally problematic, since the products sold may travel around the world by plane before arriving on our plates. But it should be noted that, in both cases, for "fair" or "proximity" trade, it is again the middle classes, who commit through voluntary work, which have enabled the economies of scale to function to allow the proper compensation of producers (often precarious workers) who want to focus on quality products. AMAP's success is growing. As Fabrice Ripoll stated: "in late 2011, AMAP promoters announced that there was around 1,600 collectives, bringing together over

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1. See in this regard the beautiful study conducted by Ferreras I. on supermarkets in 2007, *Critique politique du travail*, Paris, Presses de Sciences Po.

66,000 families and nearly 270,000 consumers, for an annual turnover estimated at 48 million euros" [Ripoll, 2013].

"Relocated fair" trade is also developing in the South. This is evidenced, for example, by the creation in Lima, in 2001, of the Latin American Network of Community trading (RELACC) which involves 12 countries. "Its aim is to promote the increase in national trade while reducing the intermediaries, so that the mostly indigenous producers receive a better price for their work. As for consumers, they have access to basic necessities at a controlled price; in Peru, more than 3,000 popular restaurants are supplied in this way. The label *Comercio Justo México* is another example of the South-South dynamic, in terms of trade on the domestic market." [Laville, 2011, p. 143]

Finally, the last element includes what experts have been referring to since the 1980s as "proximity services", which are often developed in an associative or cooperative form. Four major areas are covered: services for daily life and health (elderly assistance, etc.); services for the improvement of the quality of life (building maintenance, etc.); cultural services and recreation; and environmental services (maintenance of green spaces, recycling, etc.). The most common examples in France are the neighbourhood boards or parental crèches that have thrived in most cities since the early 1980s, which combine their resources together: public funds, the market and voluntary work. Structures exist to support the development of such services (for example, solidarity economy clusters). They bring together volunteers and professionals who are trying to support their promoters. All sometimes work with solidarity finance agencies (with the same kind of specifications) or with organic or fair trade networks.

Like all other "solidarity" groups, there are many local variations of the concept of proximity services, such as in the heart of the popular economy in Latin America, and the social economy in North America. Since the 1980s, Community Development Corporations are increasing in the United States. These structures are aimed at the revitalization of neighbourhoods and rural areas through mobilization, of people who are disaffiliated or otherwise. New cooperatives are also on the increase, including work cooperatives where the workers hold the majority of shares and where the share distribution is relatively equal between them. They represent 1,200 small entities that employ some 15,000 people. In the UK, community approaches are expressed through the development of the Community Transport Association, nationally recognized as the representative body for groups that have come together to overcome the lack of transport. These include Community Enterprises, which are numerous in Scotland, some Community Foundations and Community Development Trusts. All these initiatives are taking place in rural and urban areas where conventional market activity is in decline, leaving in its place an economic black hole. Since the 1990s, this dynamic has originated from the population itself, with the objective of counteracting the marginalization of disadvantaged areas.

With regard to environmental protection, the Groundwork Trust has helped with the take off of more than 3,000 projects, all of which have the common point of involving the participation of the inhabitants in their design and implementation, in partnership with environmental organizations, local communities and businesses. In terms of childcare, Playgrounds are places that host young children on a part-time basis: they are managed by parents in reaction to the lack of supply, there were 18,000 of them in the early 2000s, which provided 19% of the spaces available for children under 5 years old, while their Swedish counterparts provide 15%. In Germany, at the beginning of the twenty-first century, some 70,000 similar self-help structures have been identified, providing work for some 2.65 million people in the fields of health and social action [Laville, 2011, p. 130-131]. While in France, the ACEPP (*Association des collectifs enfants-parents-professionnels* – collective association of children, parents and professionals) which brings together parental crèches, works mainly for the establishment of its scheme in poor neighbourhoods where the self-management by parents of such structures can help to re-establish social links and enable substantial financial savings.

In the health sector, we can mention the 90 medical homes in Belgium that have been established to deliver free medical outreach in urban areas to the most vulnerable. Brazil for its part has more than 100 similar cooperative medical services, involving nearly 15,000 associated doctors. These services come under the so-called "formal" economy, unlike the vast majority of the Brazilian proximity services which are still considered as informal economic activities, at the same level as crime or underpaid activities

James Johnson 11/1/13 11:00

**Commentaire [3]:** Je ne suis pas sûr de bien comprendre ici. Est-ce une structure nommée « Playgrounds » ? Est-ce au Royaume-Uni ? Et il y en aurait 18000 ? Désolé mais je ne trouve pas de référence... Merci de m'éclairer !

Bruno Frère 13/1/13 22:24

**Commentaire [4]:** C'est la dénomination anglaise pour les crèches parentales mais qui est aussi devenue l'intitulé « officiel » de celles-ci, ce pourquoi l'on garde ce nom lorsque l'on écrit à leur sujet, même en français (oui, c'est bien au Royaume-Uni)

linked to the outsourcing strategies of large capitalist corporations. However, part of this "informal" sector, which is difficult to quantify, is only based on mutual aid<sup>1</sup>. Many proximity services in Brazil, and other Latin American countries, are organizations of unemployed people from various sectors including collective kitchens, vegetable gardens, self-construction pre-cooperatives, organizations devoted to housing problems, etc. Common ownership of the means of production is the rule. It is estimated that at the end of the twentieth century, this popular economy represented 25% of employment in a city like Santiago. "In this country, as in others, one of the most illustrative examples is that of waste recycling. There are nearly 300,000 people, or 1% of the population, who make a living from waste recovery, including 50,000 people in Bogota" [Laville, 2011, p. 120]. Bogota's recycling association was created in response to the ostracism experienced by the city's recyclers, who are victims of both the formal and informal intermediaries to whom they sell, often suffering stigmatization and social contempt.

## Characteristics of alternative solidarity: organization, empowerment and politicization

From the Japanese LETS, to the Brazilian proximity services cooperatives, through the British or American community enterprises, economists specializing in this sector agree that the characteristics of these initiatives are similar (DEFOURNY et al, 2009):

- their purpose is to serve members and the community, rather than profit;
- management autonomy (or self-management);
- democratic decision-making (1 person = 1 vote)
- collective ownership (cooperative or associative) of capital and means of production;
- primacy of people and work over capital in the distribution of income (fair distribution of the value-added between work and investment in the activity on the one hand, and between the workers themselves on the other);
- market activity (for proximity services, fair trade or solidarity finance) is specified by adding a final criterion: more than 50% of current resources should come from the sale of goods and services.

The uniqueness of the solidarity economy is therefore the people that comprise it: on the one hand, are the precarious and temporary workers, the tired trainees and the unemployed (the disaffiliated); while on the other are the middle class volunteers who live in the knowledge that they may one day join the ranks of the disaffiliated. This uniqueness is also its modus operandi. While, naturally all of these criteria are met to varying degrees depending on the situation, there is no doubt that they enable the very clear differentiation of the solidarity economy and that they attest to its potential desire to offer an alternative. The mere mention of criteria "1" and "4" (the rejection of the sole purpose of profit and private property) is enough to convince us that we are dealing with an economy that, ideally, does not dream of being "alongside" capitalism but rather to replace it. As for the notion of "market", it is not de-legitimized so long as it is organized collectively through cooperative and collective actions.

In addition to its public and internal modus operandi, the rejection of the "insertion sector" is another dimension of the solidarity economy which demonstrates its aim to provide an alternative. The political supporters of this sector would like to confine the solidarity economy to addressing social issues and managing the disaffiliated classes, on the margins of a public sector and a capitalist private sector, which would deal with the things that matter: politics and economics. Whereas those involved in the social economy have known for years that, for some, it is absurd to try to "rehabilitate" the "excluded" into the "primary" employment market, which only exists precisely because it has a vast secondary market at its disposal, a sub-class of disaffiliated workers who are flexible and cheap (because they are often funded by

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1. Without a doubt, many actors in the informal economy participate in both proximity services and certain illegal activities. It is important here to avoid naivety. It is thus not at all absurd to imagine that the same person could, in order to survive, be involved in drug trafficking while also investing in community solidarity activities, such as a cooperative restaurant for example.

the state on the basis of "insertion contracts" [Castel, 2007, p. 20]) and who serve as extra workforce as and when needed. These actors all agree that the exclusion/inclusion connection must be terminated, as it is this connection which makes individuals carry the responsibility for their own marginality, of their so-called difference, because they are not sufficiently "their own managers" or "leaders of their own lives" or "connected to opportunities" to find a full-time job with a permanent contract. Once these assumptions have been assimilated by the concept of exclusion, it becomes easy to say, as some authors have been doing for a long time, such as Pierre Rosanvallon, that there is no "precarious social class" and to pretend that the social issue can be addressed by imposing, hidden under the cover of the solidarity economy, "insertion" mechanisms that are singular and particularized. If no "class" exists, but only "individuals", then the answers should be "individualized" [ROSANVALLON, 1995]. And here lies the problem, in at least two respects.

First, it is not unreasonable to wonder, "insertion into what?" The middle classes know that they are far more likely to become precarious workers, rather than the reverse. As touched upon above, the middle classes are gradually disintegrating. The walls that separate them from precariousness and disaffiliation are crumbling, little by little, with the lengthening of working hours (the reduction of which has been shown to increase life expectancy), the lowering of wages and of the minimum wage threshold, a forced multi-job style of employment, a scarcity of permanent contracts to be replaced by a range of increasingly sophisticated short-term contracts, a questioning of labour law<sup>1</sup> (which slows down productivity), etc. [CASTEL, 2007, p. 421].

Second, the application of individual schemes to attempt to make the disaffiliated more connected, more mobile, more flexible, more adapted to the labour market and the global economy, is in a way to compel them to the labour of Sisyphus, bringing the excluded person back to the gates of the traditional wage society, to then be forever rejected. Ultimately, the utopia of insertion is to believe that it is possible to extract the disaffiliated from the black holes in the globalized information economy, and to use them to feed the secondary labour market, which the economy fundamentally needs as an adjustment mechanism.

Having gained experience of existing as an alternative, the solidarity economy refutes the logic of insertion into the conventional labour market, instead seeking to create its own. In the words of Castel, mentioned above, the solidarity economy would enrich a second labour market without trying to bridge it with the primary market, the market of the drifting middle classes.

A final element (after its public, its own *modus operandi* and empowerment towards the traditional labour market), which places the solidarity economy away from the capitalist economy, is its inherently political dimension. Often, these multifaceted associations are considered as a re-politicization of the economy, in the best and Polanyi sense of the term, as described above (the "re-embedding" of the economic into the social). These "solidarity" initiatives never refer to the "political" world (institutionalized) even though they reflect "a modest, ordinary citizenship." It is something other than a simple and fragile survival strategy: the management of public space where we relate to others [CHANIAL, 1998]. What becomes possible, it is said, is "a public commitment of dominated groups that would at least partially become autonomous from dominant representation structures" (parties or trade unions), "becoming free from the appearance and the compulsory channels of expression, the potential inclusion of politics within the actions in the field, the potentiality of a renewed exercise of democracy" [ION, 1999].

Ultimately, as a utopian alternative to capitalism and as a vector of practical democracy, the solidarity economy would carry a true project of political economy. At the head of this project is probably the Latin variation of the movement. Beyond the proximity services and LETS which, as we have seen, are developing in various forms in both the North and South, it should be noted that an additional political dimension characterizes mainly the solidarity economy in South America. Every year, in countries such as Argentina and Brazil, many companies are being taken over as cooperatives by their workers in an attempt

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1. We can think for example, in France, of the *contrats nouvelle embauche* or the *contrats première embauche*, which are clear exceptions to the labour law and give employers the opportunity to dismiss workers as and when they want, without compensation.

Bruno Frère 13/1/13 22:33

Commentaire [5]: « pour toujours » ?  
Je dirais plutôt « once again »



to create democratic management (all workers participating in the general assembly: one man, one vote). However, all is not rosy and the famous principle "we produce, we sell, we pay ourselves" is often very difficult to achieve. But the successes are more numerous in cases where traditional bosses, although they were highly skilled managers, were forced to give up: for example, the Impa metallurgical plant, the Bauen hotel, the Chilavert printing factory, the Fasinpat tile factory, the Catense cooperative and its 12,000 workers in the Brazilian northeast, and many more.

In light of these experiences, one may wonder why the self-management vision struggles to develop in France at a time when both unions and political parties only offer as an alternative to the delocalization and closure of industrial sites, the idea of searching for "credible buyers" and "new foreign investors". Even though of course, despite what we may pretend to believe, these new investors may well delocalize at the first opportunity. Indeed, everything transpires as if the traditional pillars of the political dialogue of our western social democracies were so steeped in the image of the wage society (in its contemporary, most contorted, configuration)<sup>1</sup> that they fail to consider that a different economy could go beyond the traditional triptych of investor shareholders, bosses (CEOs and managers) and salaried employees. One paradox of this observation is that it underlines the fact that the social structure of capitalism seems to be as necessary to those intending to fight it, as it is to those who benefit from it.

But is the solidarity economy the perfect solution to everything when the unions, for example, are left behind? The answer is no, far from it, because it is very likely that the unions have a political experience and lucidity towards political power, which they have had for a long time, whereas proponents of the solidarity economy currently have a kind of moral irenicism that is somewhat naïve and on which subject we will explore further below.

Indeed, while all of these associative or cooperative initiatives attest to an undeniable citizen momentum, thereby renewing an action trend derived from associationist socialism or nineteenth century libertarianism, which was to challenge the established economic and political domination, it remains that this citizen momentum raises an unsolved question regarding its own militant universe.

This unresolved issue is that of their political organization. It is probably rather idealistic to simply magnify the democratic strength of the solidarity economy and the "political essence" that it would carry. As written by Alain Caillé, these associations are "political", certainly. But where is the large-scale organizational form that allows them to make their voices heard at European and national institutions in charge of economic and social policies? Sooner or later, we will have to raise the question of power, that is to say, the question of a "meta-association between existing associations. There will have to be an emergence of associations, specialized in general problems in the issue of bindings and transversality" [Caillé, 2003]. Because, by carrying on pretending that the *practiced* citizenship is sufficient, we will not see the emergence of a common discourse that is likely to produce a collective scheme, such as unionism in a previous era, in which the various hopes could engage. Without an incarnation in a single place (where all could engage democratically, one after the other), power is almost squandered between diverse churches that sometimes oppose each other. This is proved by the multiplicity of international networks,<sup>2</sup>

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1. Our political classes and unions have directly inherited this imaginary vision from the twentieth century: they fail to think about the work "outside" the domination relationship between employers and employees, that is inherent to the traditional forms of hiring in the private sector (staff, executives, manual workers...) or the public sector (civil servants). Things would be less serious if the salaried status, to which this vision refers, was not today translated as, on top of the domination relationship, something that is "below" the traditional salaried status, some sort of new existence of this status. Individuals of precarious status are ready to sell their labour, at any price that an employer may impose without any discussion (2007, p. 422 and 426). However, collective initiatives and property, self-management and democracy make the solidarity economy difficult to understand for those whose representation of economic activity fits into this imaginary vision.

2. The suggested list below is by no means exhaustive but indicates the diversity of unions, networks and federations of the social and solidarity economy. In Europe only, there are already a large number of structures that do not have any specific links between them: ESENSEE (Eco Social Economy Network South and East Europe), REVES (European Network of Cities and Regions for the Social Economy), EESC (European Economic and Social Committee), FEBEA (European Federation of Ethical and Alternative Banks), Social Planet, RIPPES Europe (Intercontinental Network for the Promotion of the Social Solidarity Economy), IRIS (European Inter-network of Ethical and Responsible Initiatives), Cooperatives Europe, CECOP (European

whose number is only equal to their weakness and impotence beyond their strict impact on local development.

The idea of structuration is frightening. It evokes abandonment, verticality, the confiscation of speech and the compelled allegiance to a fixed ideological line. It is also at the crossroads of these elements that we understand the disinterest of most of the solidarity economy activists in engaging with the traditional political structures: which are very restrictive. One must give one's voice to a representative, even though, since the 1980s, a growing number of activists feel a real distrust of the political delegations and the rhetoric of their leaders, which rarely lead to real social change. In new forms of commitment, such as the alternative and solidarity economy, the autonomy is much greater. One can engage and disengage easily from an association: when we consider that the message (or products) no longer corresponds to our expectations, it is easy to withdraw and to engage elsewhere.

As Jacques Ion expertly shows, these forms of activism are better suited to a more individualized society: a lighter commitment, less time-consuming, a more personalized and less general protest [ION et al, 2005]. We chose from the menu, without feeling "forced" by a specific organization and the perception that it carries, as was the case in previous times when one became involved in trade unions or political parties with Maoist or Marxist ideologies. Ultimately, this form of commitment is the photographic negative of the engagement in contemporary capitalism for its executives: it is flexible. This is what makes both its strength and its fragility.

Certainly, by engaging into an AMAP or CSA, for example, members are being political in a practical sense. They do not just verbally denounce productivist agriculture and the wide network of capitalist supermarkets (Carrefour, etc.). They also take practical action, reinventing a cooperative and mutualist local economy, the growing success of which may perhaps one day constitute a major concern to industrial producers and supermarket chains that hitherto had become accustomed to dictating the reality of consumption. Namely: a mass of products and customers in gigantic and impersonal spaces, away from the producers and any reflection on our ostentatious consumption modes. Instead of a verbal political criticism, without substance, these cooperative and purchasing groups put practical criticism into action through emancipation, which is direct and sometimes even thoughtless.

Beyond political inaction, what are the modes of expression, the political intermediaries? Major social advances have never happened through moral good will (that, for example, of a Max Havelaar label coffee drinker) but through the overlap of well-understood interests of social groups in a declared political struggle. But today, it is clear that if there is such a gap between political representatives and civil society, it is also because critical demonstrations by the latter, such as the solidarity economy, struggle to go from social diversity and moral *pathos* which partly characterize them ("I invest myself with and for the poor, through a community development corporation, fair trade, etc.") to the formalization of a common struggle and a political *logos*.

Daring to face the question of the organization of power, while retaining its popular essence, is perhaps the challenge that lies ahead for the solidarity economy to become a real force of political proposal. A proposal that does not forget to think about democracy, something that the radical left often do when aiming for a proletarian revolution that does not concern itself with the voice of the proletariat.

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Confederation of Workers' Cooperatives, Social Cooperatives and Social and Participative Enterprises), etc. This diversity also exists worldwide: RIPESS, FIESS (International Forum on the Social Economy), INAISE (International Association of Investors in the Social Economy), Alliance for a responsible and united world, ICA (International Cooperative Alliance), WFTO (World Fair Trade Organization), IFAT (International Fair Trade Organization), Point Pal (international network of proximity services), RIFES (International Network of Women and Solidarity Economy), IFHE (International Federation of Home Economics), the International Federation of cooperative and mutual insurance, etc.

## Conclusion: what solidarity policy is needed to face the ideology of the management of precariousness?

Today, the solidarity economy, in all countries, is facing a crucial problem: because it lacks an identity and a political agenda, which are necessary vectors of a economical alternative, it can only assume the identity that some parties grant it, in the best case at the margin of their programmes or public policies. This "imposed" identity is that of the "[resocialization](#)" through [re-insertion](#) with a few rare exceptions of self-management, such as those envisaged in Latin America. This would indeed be its vocation and its only raison d'être according to the left wing green and socialist parties, who might support it as such (conservative parties simply ignore it most of the time). Both in the North and South, the solidarity economy flirts constantly with public authority instrumentalization. Indeed, when it has the opportunity to "pay salaries" due to potential public subsidies, it is not uncommon that it uses the status that it decries: supported employment, short and part-time contracts. Everywhere, it is asked to "manage" the social issue in order to reformat the "excluded" according to the standards of the wage society that is today disguised with a new managerial ideology, which weighs heavily for both individuals and institutions, and is very well described by Vincent de Gaulejac. This ideology is based on a set of abstract principles that are overvalued but have powerful effects on the reality of the organization of work: connectivity, flexibility, mobility, scalability, efficiency, performance, streamlining [de Gaulejac, 2005]. All continuously assessed by expensive consultancy devices.

We believe this managerial ideology seems to be nothing less than the cosmetic tool used to try to disguise the metamorphosis of the wage society.

We will join de Gaulejac to conclude that, to a certain extent, the solidarity economy, the main achievements of which in the world are often born of the resourcefulness of the most disaffiliated themselves, is indeed a direct process of emancipation, especially driven by aforementioned organizational characteristics (self management, democracy, etc.) [de Gaulejac, 2005]. This process is likely to arrest the managerial ideology, and the border of the wage society that it also intends to redefine, by ensuring the refinement of tools that allow it to link at best the secondary and primary labour market: insertion, requalification, professionalism and competitiveness.

However, it is questionable whether by putting our noses to the grindstone, without pausing for thought, either pro or anti towards the initiatives of those who suffer the violence of a globalized and financialized economy (often women, foreigners, unemployed...), some of these initiatives are not likely to strengthen the identity of a marginal spare wheel for THE real economy, the authentic one, the big one – that of the market – instead just serving as a stick that breaks the spokes. To the extent that they do not even see that the atypical wage status that are specific to the precarious disaffiliated are often present in their own associations, due to a lack of political perspective.

Indeed, events sometimes unfold as if we agreed to leave the real political power to define the solidarity economy in the hands of institutions, and as if we settled for the aforementioned *policy of local* (modest and ordinary) which is more effective. The power of the labour movement which, since the nineteenth century, has enabled so much to be achieved in the social field, was precisely to have been fuelled by people who had no other choice but to unite to carry a collective voice, beyond the commitment to the local. Today, recognizing common reasons to fight is no longer so easy in a wage society that is split between civil servants who are decreasing in number, and private sector employees who are still relatively protected but increasingly threatened in European countries, and a growing number of precarious people who are working part-time or short-term contracts and who are already ultra-flexibilized. And this lack of unity arising from the invisibility of common motivations even appears in the associative or cooperative commitment of the solidarity economy. Until now, whether it was investors in solidarity finance, fair trade coffee drinkers or work cooperatives set up by the poorest, the resourcefulness, the altruism or the pleasure of social links was prevalent among the reasons to commit... But the world has until now only been truly transformed when well-defined and collectivized interests have managed to violently enter into the established balance of power.

Bruno Frère 13/1/13 22:42

Supprimé: "resocialization"

Bruno Frère 13/1/13 22:43

Supprimé: re-insertion

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