

# Solidarity Economy - emancipatory social change or self-help?

Passive revolution and the context of state and civil  
society

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## Crises and Alternatives

- Yet another crisis?
  - Crisis-prone economic development follows long waves of ups and downs (Mandel 1980) and seems to correlate with a growing interest in alternative economics
  - Big number of recent publications, conferences → growing interest in heterodox economics and alternative forms of organizing economic activity – in Solidarity Economy
  - Historical evidences amongst many others: e.g. Argentina 2001/02, Brazil 1990s, Wörgl/Austria 1929

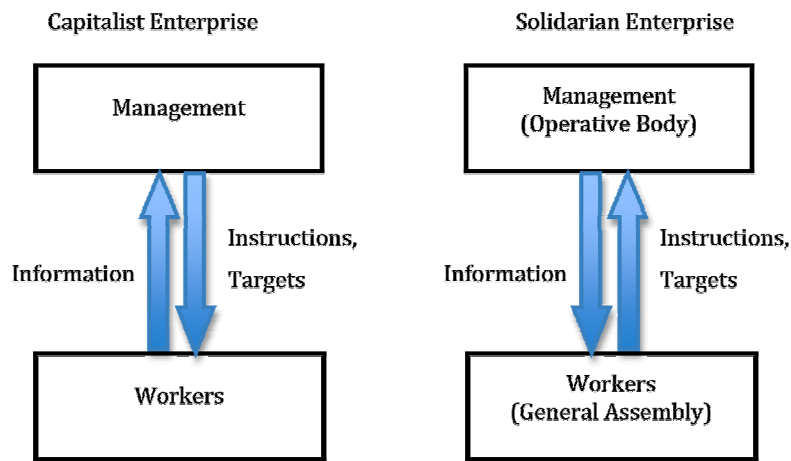
## Potential of a Solidarity Economy

- Big potential for re-organization of economy and for an ideological change in how economy/labour is organized and for what purpose
    - Rents vs. equal distribution of income, socially and ecologically sustainable development, ...
  - Orientation on principles:
    - Democracy (one person one vote)
    - Identity (workers = owners)
    - Solidarity (internal + external)...can also serve as input to mapping methodology
- ...but: SE also faces some important challenges

## Compatibility of Democracy and Capitalism?

- (Deliberative/Participative) Democracy
  - Needs public exchange of opinions for enabling popular sovereignty
  - Participation shall lead to ability to actually shape reality
  - Prioritizing liberty and democratic accountability based on the exercise of personal rights
- Capitalism
  - Separation of capital and labour leads to..
    - Rise of unequal power relations
    - Lack of accountability in decision making
  - Ensuring preeminence of economic privileges based on property rights

## Organizational structures in capitalist and solidarian enterprises



Source: Own elaboration, based on Leubolt (2007) and Singer (2002: 16ff.)

## Emancipation or Self-help?

- SE as a reaction to precarious living and working conditions or emancipatory project of social change?
- Answer is tied to problems arising from the growth of Solidarity Economy → will the movement be facing Oppenheimer's "law of transformation" (1896)?
  - Economic success → personal relations and solidarian cooperation step back and loose relevance within the organization, loss of the cooperative character, conversion into a traditional capitalist company
  - No economic success → mere self-help organizations that correspond to an "ideologically justified alternative to unemployment" (Lima 2007: 612)

## Emancipation or Self-help?

- SE's compatibility with *workfare*-regimes
    - *Workfare*: Fundamental transformation of the state that is strategically re-aligning its social policies according to the requirements of de-regulated labour markets and balanced national budgets
    - Solidarity Economy to cushion the dysfunctional results of capitalism??
  - Solidarity Economy vs. "neoliberalism from below"<sup>1</sup>
    - State support vs. entrepreneurial anti-regulation attitudes especially in the informal and precarious segments of economy
    - Still subordinate integration of the informal sector into capitalism
      - cushion the dysfunctional results of capitalism??
- Individual and collective subjects take care of their social rights themselves (as far as they can)

<sup>1</sup> (Wilpert 2003, Altwater 2005)

## Passive Revolution

- State replaces the revolutionary movement *from below* and leads to a transformation *from above*
- Subaltern integration into existing power structures
- Initiatives that ignore state-power and the capitalist logics that surround them run the risk of failing at the limits of localism (law of transformation)
  - Political struggles that are circulating only around taking state-power, while the movement forgets to build up networks outside of the official state-apparatus are most often not successful (e.g. Yugoslavia, Venezuela + tendencies in Brazil)

(Gramsci 1971: 106ff.; Buci-Glucksmann 1979)

## Potential / Outlook

- SE's potential to overcome structural problems:
  - *Real* collectivization (according to the three principles)
  - Productive solidarian chains (Mance 2003)
  - Fairtrade/ethic consume
  - Commons-based production (Andreas E's input later)
  - Institutional ties (research, funding, legal & technical support, ...)
- Important: Complementary construction of supportive structures in government and civil society:
  - Government: legal framework and financial/technical support
  - Civil society: autonomous support structures (financial/technical + research)