

Which role for trade unions in the promotion of Social and Solidarity Economy for the creation of decent work? Lessons learnt and challenging issues.

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Foreword

This paper has been written reviewing literature and relating about the writer's experience in international cooperation projects implemented by Nexus Emilia Romagna mainly financed by the Emilia Romagna Region and its Decentralised Cooperation Program which in Latin America and Tunisia.

Introduction

ILO reminds us that huge masses of workers are facing the highest levels of inequity, exploitation and informal work, ever. In Illich's words we could talk of a serious disutility provoked by the dominant economic system. Is really Decent work a more and more desired goal? And is DW a patch or a transformative goal? How are trade unions coping with these questions? And how are these questions related to Social and Solidarity Economy¹ (SSE)?

The ILO recognizes that SSE contributes to the four dimensions of the ILO's overall goal of creating decent work for all: productive employment, social protection, the respect for rights, as well as voice. From an ILO perspective, the SSE provides an opportunity to advance the Decent Work Agenda.²

Therefore trade unions seem to have a role in order to build context related social and economical alternatives to the global crisis and global demand for decent work, at least from a social point of view (if not from the environment point of view). One strategy to pursue this goal is reassessing the importance of social clauses and bargaining. Labour market stems from the development model. With globalized neo-liberism we assist to a change in the development model, from accumulation based on production, to accumulation through finance and financial speculation. Consequently the labour market has been organized by capitalism through neo-liberist flexibility. This situation should require new rules to fight against exclusion and exploitation, but they are not easy to be written, as Social Dialogue has lost persuasion. Neo-liberist flexibility continues expelling workers from the labour market with no perspectives to be reabsorbed in the nearby future (see growth without growth and occupation, structural unemployment, precarization, informal labour, feminization of poverty). This is the epilogue of a long tradition of "development - centred" centuries of history.

Another possible strategy to fight workers' poverty and precarization could be the support to solidarity based workers self-organizations as stated by the trade unionist gathered during

¹ We will also use Solidarity Economy when referring to Latin America. For the differences between the two definitions see Laville in "Social and Solidarity Economy. Beyond the Fringe. Edited by P. Utting UNRISD , 2015 and Dicionário Internacional da Outra Economia, Cttani, Laville, Gaiger, Hespanha, 2009.

² Concept note "The Role of Social and Solidarity Economy in employment generation", 3rd World Forum on Local Economic Development (13-16 Oct, 2015Turin)

the SSE ILO Academy 2015:

The SSE is part of the integrated trade union response, in line with its founding principles and values, which are intrinsically linked to the origins of cooperatives. Without a doubt solidarity with the working class, mutual aid and democratic principles that legitimize their representativity as socio-political actors are the roots of our activities and proposals, demonstrating that another development paradigm is possible³.

We can read here both the early socialist proposals and the conversion under labour approach of the “*Outro mundo è possível*” World Global Forums’ philosophy. And it is interesting to observe how the alterglobalisation way of thinking is still producing effects after almost 15 years of debate., and the utopic socialism is still fertile.

Brazil and Uruguay experiences in Solidarity Economy

Looking at the latest 20 years of relationships between Brazilian trade unions and SSE, we see that, during the 90’s, Brazilian trade unions as SMABC (Metal workers trade union of the ABC Region in São Paulo) and CUT, following an intense program of national and international exchanges⁴ and debates, decided to take some steps. On one hand Cut created ADS⁵ in 1999- with the aim of “building alternatives of sustainable and solidarity based development”. Cut was conscious of the globalization and precarization of the Brazilian labour market, but also that “*new forms of cooperation are raising based on decentralized structures of production, commercialization, industrialization and credit*”⁶. They are the result of “*new forms of struggle operated by the most struggling part of the trade unionism*” made in CUT and MST (but also Caritas and other social networks). SMABC supported workers taking over breaking-down enterprises and created both ANTEAG⁷ in 1994 and Unisol⁸ in 2000. Then in 2005 Fetraf supported the creation of UNICAFES⁹. That is to say that a great part of the Brazilian nowadays Solidarity Economy (SE) is rooted in workers’ movements. The proof is the creation of UNICOPAS¹⁰ in 2014 by Unisol, Unicafe and Concrab¹¹.

³ Trade Unions conclusions in relation to the Academy on Social and Solidarity Economy (SSE), Cape Town , 2015

⁴ See also Unisol: un nuovo modello cooperativo per il Brasile, Nexus Emilia Romagna 2011

⁵ <http://www.desenvolvimentosolidario.org.br> A ADS - Agência de Desenvolvimento Solidário da CUT - é uma associação civil, sem fins lucrativos, fundada em 3 de dezembro de 1999 pela Central Única dos Trabalhadores - CUT, Fundação Interuniversitária de Estudos e Pesquisas sobre o trabalho - Unitrabalho, Federação de Órgãos para Assistência Social e Educacional - Fase e Departamento Intersindical de Estatística e Estudos Sócioeconômicos - Dieese. ... A ADS surgiu a partir de intenso debate que envolveu o sindicalismo da CUT com importantes segmentos da sociedade civil sobre as transformações no mundo do trabalho e da organização da classe trabalhadora para enfrentar a precarização das relações trabalhistas, a redução de direitos e os elevados índices de desemprego, de exclusão social e de desigualdades que foram agravados nos anos 1990 pelas políticas neoliberais. A ADS é uma resposta à necessidade de constituir novos referenciais de geração de trabalho e renda e de alternativas de inclusão social, tendo como princípios fundamentais a economia solidária e o desenvolvimento sustentável, articulados com a concepção de educação integral, construída coletivamente com os trabalhadores e as trabalhadoras. **MISSÃO** "Promover a constituição, fortalecimento e articulação de empreendimentos solidários e autogestionários, buscando a geração de trabalho e renda, através da organização econômica, social e política dos trabalhadores, inseridos em um processo de desenvolvimento sustentável e solidário."

⁶ Sindicalismo e Economia Solidaria. Reflexoes sobre o projeto da CUT. Dezembro 1999, CUT

⁷ Associação Nacional de Trabalhadores e Empresas e Autogestão

⁸ CENTRAL DE COOPERATIVAS E EMPREENDIMENTOS SOLIDÁRIOS DO BRASIL – UNISOL/Brasil, “surge da vontade das cooperativas criadas com apoio institucional do Sindicato dos Metalúrgicos do ABC e de Sorocaba, e do Sindicato dos Químicos do ABC”

⁹ União Nacional das Cooperativas da Agricultura Familiar e Economia Solidária

¹⁰ União Nacional das Organizações Cooperativistas Solidárias, “A UNICOPAS não nasceu para ser o espaço da UNISOL Brasil, UNICAFES e CONCRAB, mas sim, de todos os segmentos cooperativos, que buscam com suas práticas construir uma Nova Economia, a Economia Solidária “

¹¹ Confederação das Cooperativas da Reforma Agrária do Brasil

This historical process is echoed in SENAES/ Paul Singer's definition of Solidarity Economy

“Solidarity Economy is a different form of producing, selling, buying and exchanging what is needed for living. While in the conventional economy there is a separation between the owners of the enterprise and its workers, in the solidarity economy the workers are also owners. They take the decisions about how to manage the business, divide the work and share the profits¹²”

Schiochet resumes:

In Brazil, Solidarity Economy revives during the 80's as a workers' response to the social crisis provoked by economical stagnation and reorganization of the capitalist accumulation process. But it gains visibility during the following decades when it enters the debate about potentialities for transformation linked to popular and working class struggle. Impoverished workers' response assumes an emancipatory aspect¹³.

The Solidarity Economy configures itself as a socializing and democratic proposal of social movements for the “social question”, rooted in the harshening conflict and contradictions existing between democratic achievements (constitutional rights universality in 1988) and the growing unemployment and social exclusion caused by the neoliberalist choice made to overcome the capitalist accumulation crisis¹⁴.

CUT defined this new reality as the *cooperativismo autentico*¹⁵ (authentic cooperativism) and its 10th National Plenary approved a strategy for the construction of SE. As a matter of fact CUT stated the necessity to organize a new union agenda in order to have a legislation regulating working relationships inside the cooperatives (against *coopergatos*, cooperatives organising manpower without rights), promoting public politics to support SE (in order to cope with its weaknesses), to incorporate cooperatives' workers in the unions. This is what is happening from Lula's presidency to the present.

The Brazilian Law Nr. 12.690/2012 on workers cooperatives, inspired by CUT, can be said to give a first answer to our initial question about the role for trade unions in the promotion of Social and Solidarity Economy for the creation of decent work. The law pursues the goal of avoiding the precarization of cooperatives workers, assuring decent work even if through discretionary actions taken by the General Assembly of each cooperative. The law guarantees a minimum social floor (minimum wage related to the branch of work, per year and week and weekly rest, limit to the duration of a working day or week, insurance against accidents...) that it is not intended to level cooperatives' workers to other waged workers, as is the cooperative to decide how to apply these norms adapting them to its own reality and degree of sustainability. But this law is not very well accepted by the SE's world, as a resistance to formalization can be appreciated.

Considering Uruguay, the answer to our initial question is rooted 1) on the centrality of

¹² A Economia Solidária é um jeito diferente de produzir, vender, comprar e trocar o que é preciso para viver. Enquanto na economia convencional existe a separação entre os donos do negócio e os empregados, na economia solidária os próprios trabalhadores também são donos. São eles quem tomam as decisões de como tocar o negócio, dividir o trabalho e repartir os resultados.

¹³ Institucionalização das Políticas Públicas de Economia Solidária: Breve trajetória e desafios, Valmor Schiochet ipea mercado de trabalho | 40 | ago. 2009 55. Also www.inchiestaonline.it

¹⁴ Cit.

¹⁵ Documents of CUT National Congress year 1999

Autogestión (self-management), which is the process undertaken by all workers / members to live the cooperative in a cooperative way and 2) on the link between self managed enterprises and trade union. The Platform of XI Congress of PIT CNT states:

Associated to this process of expanding the activity of the State, it appears a new transitional form that is potentially related to some peculiar processes of socialization of property and management of the means of production. They are different forms of workers' participation in the managing, especially in enterprises taken (empresas recuperadas) or formed by workers.

These new productive units objectively integrate the workers movement and conflict with the capitalist formats of production and management: it's the role of a conscious organization to make that this objective affinity could be reflected in the ideology of the involved workers, especially through the membership of the involved workers in these experiences to its branch trade union¹⁶

A prerequisite to this definition is the non existence of subordinated workers in a cooperative. Every worker of a cooperative should be a member: this clearly speaks against the intermediation of manpower through cooperatives, but also speaks about a process of self-consciousness (or class-consciousness) of the role played by the cooperatives in a more general plan for transforming the society. The relationship between trade union and cooperative is also to link them to the bargaining against self-exploitation. But are these cooperatives just economical projects or do they have social and political implications?

The *Espacio de Autogestión* promoted by PIT CNT in 2012, and including ANERT¹⁷, FCPU¹⁸, Instituto Cuesta Duarte, UDELAR¹⁹ is demanding: a system of public procurement in which self-managed cooperatives have access to a portion of the public demand for goods and services, access to credit (for better conditions of production and work), technical assistance, support for environmental sustainability of the productions. ANERT, was funded on the following principles:

the self managed enterprises always have to aim to the improving of working conditions as a way to support workers' historical revendications, have to ensure the equitable distribution of produced wealth, have a solidarity based relation with the community, respect the environmental norm of protection and encourage the networking with other self managed and social economy enterprises.

For extension they can be said to be the principles of all organizations participating in the *Espacio de Autogestión* (also the historical FCPU²⁰), but we can see that *Autogestión*, Decent Work and Solidarity Economy have different degrees of application. In general the debate has two focuses: the safeguard and creation of work in itself (even if not decent at the beginning) and SE has an alternative to the capitalist model of development²¹. Decent Work is one of the key principle to use in order to define SSE, but this should not be used only as a defensive shield in order to discriminate between good and bad cooperatives. As a matter of fact SSE calls for a redefinition of development itself. How and what to produce? For the Capitalist market or for a new State market (see public procurements programs in Brazil and Uruguay)? Without applying all and

¹⁶ Plataforma programatica, XI Congreso del PIT CNT

¹⁷ Asociación Nacional de Empresas Recuperadas por los Trabajadores

¹⁸ Federación de Cooperativas de Producción del Uruguay

¹⁹ Universidad de la República Uruguay

²⁰ Federación de Cooperativas de Producción del Uruguay

²¹ I CONAES 2006, Economía Solidaria como estrategia e política de desenvolvimento.

simultaneously the three pillars of sustainability we do not really express SE. So an enabling context for SE should be at the same time an enabling context for real sustainable development or a revision of the present productive system.

The Brazilian proposal for a regulatory framework for the SE stems from the above mentioned debate which was conducted by SE protagonists and among them CUT. In the PL 4685/2012²² SE is not only a tool to create decent work and oppose manpower frauds, but it's an original alternative proposal rooted in the historical cooperative principles, and in "*local, regional and territorial development integrated and sustainable*".

We can say that trade unions are among the propulsive engines of authentic cooperative movements, even with contradictions, and especially Latin America is leading a process within the most innovative enabling contexts. This is important to be said as

*To produce solidarity, an 'enabling' environment is needed, considered it from the point of view of institutional conditions and tools, more than looking for modalities of action leading generically to the strengthening of individual cooperative inclinations*²³

This means that the project of an economical alternative proposal as SSE, is not only generated by basic needs, but gets strength if the social and political context is renovated and enabling. If we consider the results of the latest Brazilian census on SSE covering 2009-2013 years²⁴ and its analysis²⁵ we see that after the year 2000, when GDP and minimum salary increase while unemployment and inequalities decrease, the number of EES (*empresamentos economicos solidarios* such is to say solidarity economy enterprises) increases. Redistribution operated by Lula's social politics (among them, those for SE) create an expectations for better (working) conditions and quality of life, so SE was not only answering to the lack of work opportunities (forced choice of self employment), but it was an assertive choice. The hypothesis is the existence of a correlation between better economical and social conditions (enabling context) and the solidarity choice. This seems to be demonstrated also from the fact that SE grew more in urban contexts where jobs' offers were better. And also by the fact that *catadores* (homeless recycling workers) have been the highest number of people choosing to create SE enterprises in the last ten years: meaning that the most excluded people are encouraged by inclusive politics to expect more even from themselves.

Therefore SE owns a strong transformative potential, but this is fed by context related conditions. In this transformative process trade union play a role, but they also have the responsibility to find new forms of being trade union as CUT stated in 1999.

Tunisian steps to the Social and Solidarity Economy

Other countries are striving to build their own experiences, namely Tunisia. In the post Jasmine revolution, Tunisia and its main trade union, UGTT, are also looking for a new road to Decent Work and SSE is mentioned in every speech. In this context UGTT has undertaken some actions to support SSE:

²² *Considera-se compatível com os princípios da Economia Solidária as atividades de organização da produção e da comercialização de bens e de serviços, da distribuição, do consumo e do crédito, tendo por base os princípios da autogestão, da cooperação e da solidariedade, a gestão democrática e participativa, a distribuição equitativa das riquezas produzidas coletivamente, o desenvolvimento local, regional e territorial integrado e sustentável, o respeito aos ecossistemas, a preservação do meio ambiente, a valorização do ser humano, do trabalho, da cultura, com o estabelecimento de relações igualitárias entre diferentes.*

²³ Stefano Rodotà, *Solidarietà. Un'utopia necessaria*, 2014 Gius. Laterza & Figli.

²⁴ <http://sies.ecosol.org.br>

²⁵ "A Economia Solidária no Brasil. Uma análise de dados nacionais", Luiz Inacio G. Gaiger et al, 2014.

In the framework of the national role of UGTT supporting participation and elaboration of a new alternative for development guaranteeing regional balance, decent work, sustainable development and struggling against the menace of informal economy and savage liberalism

and

Aspiring to create an economic dynamism at local level, appraising local resources and potentialities on which to count in the spirit of citizenship, participative democracy and sustainable development

as mentioned in the Declaration of Principles on SSE dated January 2015.

The Declaration of Principles on SSE is an important step. It's also the result of a theoretical and practical work that UGTT is doing together with international cooperation partners, namely Nexus Emilia Romagna and Icosi, both trade union related NGOs, since 2012.

The subtitle of the Declaration, 'In order for the SSE to be a strategical perspective for alternative development', casts light to research path in order to answer to the difficult social situation the country is living.

This challenge is to be contextualized in the framework of:

- ri - democratisation of the post Ben Ali Tunisian society;
- ri – democratisation of the economy in order to overtake the liberist post – capitalism phase proposing sustainable alternatives.

Data about Tunisian unemployment and informal economy are very well known, therefore alternative proposals are expected to alleviate the situation. SSE is for UGTT one of these proposals. In its Declaration, UGTT commits itself to support groups of young unemployed people who want to create solidarity based enterprises. This is a necessary commitment as Tunisia has no legal framework which could guarantee institutional real support for this type of activity. Moreover the Declaration proposes the creation of coordinating structures and the institutionalisation of the SSE, similar to those existing in Brazil.

Among the actions undertaken by UGTT, in April 2013 a Focal point Unit for SSE has been created in order to coordinate the work of 5 different trade union departments (international relationships, training, social protection, legal, youth – women - civil society). Its goals: the elaboration of SSE definition, its promotion at local level, cooperation with other SSE related organizations, a new legal framework, coordination of international cooperation programs.

Other progresses are self-evident: training for trainers profiting from Italian and French experiences both on the historical cooperativism and the newer solidarity approach that is spreading in Europe, and connections with the Brazilian experience on ES. The first definition of SSE created by UGTT's trainers is:

(...) a model of development alternative to the economical dominant system based on voluntary adhesion, democratic and self managing. SSE establishes the values of solidarity based and participative work, the primacy of Mankind and Work above Capital and applies the principles of decent work. SSE enterprises must engage themselves toward their communities and let them participate in their projects in order to guarantee sustainable development from the economical, social and environmental point of view²⁶.

We can't consider this as UGTT's definition on SSE as no official documents quotes it. As a matter of fact, even if the Declaration of Principles on SSE states and demands many important points, is also concealing many contradictions and doubts. What should UGTT

²⁶ Issued by a session of Training for Trainers held in September 2014 by Nexus.

propose to solve the problems of many old cooperatives which are no more sustainable? Which is the main audience to be addressed when talking about promotion of new solidarity enterprises? Unemployed or workers? And if workers, should the trade union get involved in the workers' buy out processes? What about environmental sustainability? Would this lead to a new development patterns in Tunisia? And what about the role of the State? Should be a laissez faire State? Or should UGTT demands for public policies? Which will be the principles for a new law on SSE? And what about the relationship with civil society organizations? Many questions are still open and they are strictly related to the model of trade union UGTT will become after the Jasmines Revolution.

In the framework of the tripartite relationships UGTT opened operative working lines with the Ministry of Vocational Training and Employment, and since May 2015 has participated in the Tripartite National Conference and Working groups on SSE promoted by ILO. The participants have declared:

- *Their commitments to consolidate SSE as a mobilizing element for development and employment and as a lever for the economy in order to limit the marginalisation of young people and women especially in rural areas and as a tool to reduce social inequalities and regional disequilibrium and to stimulate local and regional initiative*
- *SSE is considered as one of the lever for development and employment together with the private and public sectors and as an alternative to the informal sector*
- *Their agreement on the fundamental principal of SSE: voluntary and free participation, independence, participation and agreement on the purposes, interest and democratic principles of the management based on the collective participation in taking decisions and the equality among members and their solidarity spirit*
- *Their agreement on the creation of a common working group entrusted of the elaboration of a national strategy for the development of SSE touching all strategical axes: appropriate legal and regulatory framework, administrative organisation, financing, information and training.²⁷*

UGTT as social part of the tripartite process, has committed itself to do all this. Is this the role for trade unions in the promotion of Social and Solidarity Economy for the creation of decent work?

A sort of conclusion

Coming to the conclusion let's try to summarize some peculiarities of the roles played by different trade union in different countries:

In Brazil CUT:

- supported self-managed and recovered cooperatives BUT in the framework of a broader democratisation or “*equitabilisation*” of the post-dictatorship economy
- promoted and took part to the national and grassroots dialogue
- constructed innovative and leading public policies for SE

In Uruguay Pit CNT:

- supported self-managed and recovered cooperatives after 2001 crisis in parallel with the historical cooperative movement
- strengthened the relationship between self managed cooperatives and trade unionism
- participated in the dialogue with Mujica's progressive government for public policies in favour of

²⁷Conférence nationale tripartite sur l'économie sociale et solidaire : levier de développement et d'emploi - Tunis, 19 mai 2015, DECLARATION FINALE (draft)

SE and autogestión

In Tunisia UGTT:

- is discussing SSE in the framework of the National Dialogue Initiatives for the construction of the Post Ben ali Tunisia
- is making efforts to build its own idea of SSE for the creation of Decent Work
- is opening up to the grassroots organisations.

The question we were trying to answer is still a challenging issue, strictly related to the challenged envisaged by CUT in 1999 at the beginning of the history of *cooperativismo autentico*:

*(...) if union movements want to represent the whole of the workers, they have to formulate and implement policies responding to the new demands coming from the different forms of insertion of workers in the labour market*²⁸

New demands and new policies. But maybe also new trade unions who should abandon traditional developmental schemes, enter the deep sustainability patterns, include in their representation body unenmployed, informal/precarious, self-employed workers. Taking into consideration the perverse effects of neoliberalism. We have already passed form the fordist production system to the globalized neoliberalism one. It's now time to enter local based, equitable production and consumption systems, as SSE is. And maybe a new role for trade unions is required as no Decent Work is nowadays possible without taking into consideration at least the creation of a Decent Environment.

²⁸ Sindicalismo e economia solidaria dezembro, CUT Nacional GT Economia Solidaria 1999