



Solidarius



Liberation Economy, Solidarity Economy and ***Bem-Viver***

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Summary

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1. Human Communities

Human beings maintain permanent social relations in order to fulfill their needs and desires, by realizing different kinds of exchanges, which generate human communities.

By willfully cooperating or under coercion, they create:

- the *symbolic means* of **knowledge exchange**, such as language
 - the *material means* of **economic exchange**, such as goods and services
 - the *organizational means* of **power exchange**, such as social functions
- Such needs, social relations and exchanges influence the emergence, development and practical realization of human freedom
- In human communities, the flows of material resources, of knowledge and of power *have a permanent feedback*, which gives origin to a social formation
- Different subjects [actors] exercise a greater or minor power on these flows, interfering with them according to their particular interests, in either liberation or oppression processes.

- The ***Social formation*** organizes the community's members social relationships, by modeling:

- their knowledge, natural resources and power flows
- the way to satisfy their needs through those flows: how to obtain, produce and exchange the means (derived from Nature and/or from human work) which are necessary for the individuals and for society as a whole.
- the feedback of these flows, in long-term social relationships

➔ In the transformation of their way of life, exchanging symbolic and material products, human beings perfection their language, their knowledge [conscience] about themselves, Nature and society, the modes of production, of exchange and the social formation of which they take part. They also continuously develop the productive forces, that can generate goods and services to respond to the needs and desires that historically change.

➔ The transformation of human communities has to be analyzed by taking into consideration its *social formation*, its *exchange systems* and the *economic ways of producing what they need*.

2. Capitalist Economy

- **Mode of production:** it is organized in order to increase the economic value by accumulating and privatizing, through the exploitation of subordinated labour, which produces goods and services that are sold in the markets in exchange for money.
- **Exchange system, in the form of the marketplace:**
 - the product, which stems from the exploited labour, is converted into a commodity and exchanged for **symbolic values** represented by money, allowing for the conversion of the exchange value of the commodity into capital for a new productive round: **M – C – M+**
 - money becomes the object that has to be accumulated and products are converted into the means for the accumulation of money
 - the economic value, under the form of money, is freed from the particularity of the commodity and realizes itself in its universality under the form of capital, since it is conditioned by the **power flows**, by the exchange of signs and the legally binding **compromises** taken through them, at the *heart* of the *capitalist social formation*.

- the ***capitalist social formation***, through the ***State***, guarantees the following through its power flows:
 - the validity of money (forced currency money or market paper) for the accumulation of the economic value
 - the private property of the *use means* and of money
 - the circulation of economic value under legally established contracts, by making use of regulated and legally interpreted signs, which allow the exchange of the use means in the form of money and vice-versa.
 - the exploitation of subordinated labour which manages the use means, their conversion as commodity and their exchange for money, ensuring at the same time the capital gain.
 - the exercise of political hegemonic power as a way to suppress, neutralize and contain or resist the forces of liberation of the oppressed.

The Subordination of Productive Forces to Capitalist Accumulation

- The development of productive forces makes it possible to produce *always more abundant economic means* with less live employed labour
- Therefore, in order to ensure the accumulation of value, it is necessary to preserve the relative scarcity *of the offer on the existing demand*, so that the sales price of merchandise remains higher than the cost price of its production
- The dispute among enterprises, such as the intensive use of technologies, reduces the production costs, lowers the price of merchandise and, in many cases, reduces the lifespan of products, thus maintaining its scarcity, even at the cost of a high social and environmental impact.
- The accumulation of the capital and the concentration of income result in shortage of money by the majority of the population in its exchanges in the markets, allowing the emergence of a for profit credit system, which in turn generates high level of debt, in the present and in the future, which also has an impact on the availability of money for market activities.

- The reduction of live labour, employed proportionally in the agricultural and industrial sectors, results in a growth of the number of workers employed in activities of the exchange system (in the circulation and exchange of merchandise for money) or in activities which are related to intangible goods and services.
- Workers are subject to legal or illegal exploitation of their work because the means of consumption that they and their families need and the means to produce them are private property of others.
- Dispossessed of the required economic values to obtain those means in the exchange system realized as a capitalist market, workers are forced to renounce to their freedom during the hours in which they are converted in means of production for others, in human capital, under the dominant rules established to exploit their labour.

3. Liberation alternatives

The situation today

- Millions of people are part of thousands of collaborative networks all over the World nowadays, struggling to build more just, ecological and democratic societies.
- The World Social Forum is a small display of the great diversity of these solidarity actors, of the different areas of activity, organizational forms and their presence in all the countries.
- Billions of dollars are exchanged every year by these millions of actors (people, communities, movements, enterprises and organizations) and by the thousands of collaborative networks in which they take part.
- Although they occupy roads and squares, oust authoritarian governments and elect popular governments in many countries, the majority of these actors don't have a solidarity economic practice and continue to strengthen capitalist accumulation with their economic flows.

- Their activities of final consumption or productive consumption, for example, by acquiring the commodities in the capitalist exchange system, contribute to the accumulation of capital.
- ➔ The organization of collaborative networks, by including the economic, knowledge and power flows of these millions of solidarity actors and their thousands of networks, makes it possible to organize other social formations, other exchange systems and other modes of production which amplify public and private freedoms for the Well-Living [bem-viver] of all.

4. Collaborative networks: economy, knowledge, power

- ➔ The global transformation of societies by means of the feedback of economic, power and knowledge flows, in solidarity collaboration networks, implies the constitution of those horizontal networks, in such a way that the cooperation between human beings, imposed under the capitalist social formation with the goal to accumulate value, gives space to a cooperation based on solidarity collaboration of human communities and people which is oriented towards the realization of the Well-Living of all.
- ➔ Such form of collaboration ensures to the people and human communities, the ***means of use*** which are necessary for their Well-Living, the right for self-determination and self-management of the material flows, of knowledge and power in the public sphere and the respect of their autonomous decisions in their private life, which they respect as public and private liberties, ethically exercised.

Liberation economy

- It's goal is to free people from subordinated labour, unsatisfied needs and oppressive power relations
- It's scope is the liberation of productive forces from the logic of capital accumulation and the degradation of the ecosystems.
- It is built upon the practice of economic liberation of the oppressed
- It internalizes the principle of the Oppressed's Pedagogy, whereas "Nobody liberates nobody. Nobody liberates themselves. Human beings liberate each other when acting in community." (Paulo Freire)

➔ In order to achieve the liberation of people and productive forces, it is necessary to organize a ***new social formation, a new economic and production exchange system of goods and services***, in which the production and circulation of the use means are not conditioned by the price of products in the markets, but by the sustainable care for the needs of people in a solidarity exchange system, organized for the realization of their *Well-Living*.

New social formations

Basic aspects:

- co-operation among human beings on collaborative, solidarity and democratic basis, favoring the expansion of public and private liberties, ethically exercised.
- reorganization of the knowledge, economic and power flows in favor of the Well-Living of everybody.
- strengthening and consolidation of Public power, with regards to the State, the Market and the Capitalist collaborative networks, through the integration of thousands of socio-economic collaborative and solidarity networks, providing feedback of the economic-material, knowledge and power flows of the solidarity actors. The latter bind by self-strengthening and balancing in decentralized, distributed, horizontal and self-managed forms — since there's little horizontality or solidarity in their economic, power and knowledge flows.

a) Knowledge Flows

Knowledge flows (information, communication, education) have to be the most horizontal as possible and the means by which these flows transit have to be owned by the workers, their communities and the people who realize them.

Since human conscience is mediated by language, we need to recognize that we cannot think without the others, since it's in the dialogic process that we learn to interpret the communication signs of human communities.

And since the liberation of each person requires knowledge for the transformation of the reality [in which the person lives], we can conclude that nobody liberates someone else or that nobody liberates themselves.

Liberation - which is never final, since knowledge always increases the possibilities of its realization - is always a social act, collaborative and in solidarity among human beings who cooperate for their own liberation and of their fellows.

b) Power Flows

It's about organizing public non-State spaces in a self-managed form, where communities, through self-managed communication means, put their decisions into practice from the point of view of their material, knowledge and power flows, with the objective of expanding ethically exercised public and private freedoms.

➔ The public power flows, articulated in collaborative and solidarity networks, create new forms of exchange under new social relations and consolidate the democratic mechanisms which are necessary for the social self-management of the economic, power and knowledge flows.

➔ At the same time in which these new exchange, production and management modalities are consolidated, the strengthened non-State Public power, has to de-privatize from the State and reduces the power of the capital in guide it.

c) Material (Ecologic and Economic) Flows

Ensuring the fulfillment of the needs - of final consumption and productive consumption - with economic means managed in a sustainable and solidarity self-managed way.

The means of production of goods and services have to be owned by the workers who control them with self-management mechanisms.

The way they avail themselves of natural resources has to be sustainable:

- ensure the natural reproduction of renewable resources
- recycle the resources that are non-renewable by can be re-utilized
- use in minimal forms those resources which are neither renewable nor recyclable, especially for research purposes
- do not produce residual parts which cannot be recuperated in a recycling process
- do not contaminate the eco-systems.

New ways to produce economic means

- Collaborative labour;
- Solidarity ownership and self-management of productive means;
- Economic activity organized to produce goods and services that fulfill the needs for the Well-Living of the workers, their families and communities and to expand, strengthen and consolidate a sustainable, democratic and solidarity-based society, in its economic, power and knowledge flows;
- Liberation of the productive forces so that they can operate under a new social formation and that the products (goods and services) produced by them can flow in solidarity exchange systems;
- Socio-technical adaptation of these liberated productive forces so they become sustainable and abandon the practices that cannot be converted
- Re-creation of the supply/production chains of goods and services so that the products are generated through ecologic and solidarity sourcing and the values spent to obtain them continue to circulate in the solidarity economy networks.

New ways to exchange economic means

- Solidarity Exchange systems aim to ensure the means of consumption for the *Well-Living* of all
- Products (for productive consumption and final consumption) should be made by self-managed and eco-solidary enterprises. In their absence, products that are not eco-solidary can be introduced, until they are replaced by others from the solidarity economy.
- The *value signs*, in order to operate solidarity economic exchanges based on the use values, shall be issued and distributed in a self-managed manner, in economic communities, intertwined with each other in network systems and cannot be subject to the logic of scarcity.
- The products are offered in exchange for *value signs* issued by the communities, ensuring the network members saving value corresponding to these signs in other goods and services offered within the same network or any other economic solidarity network connected to it.

- ➔ The international system of compensation of these value signals, integrated with monetary funds local, national and international levels under self-management economic communities of solidarity, enabling these value signals change for conventional currencies.
- ➔ In the process of transition to the new mode of production, the monetary values of these funds are used for the assessment of external payments to the sector of the social economy, particularly related to investments for the development of their productive forces and to the realization of payments to the State or to non-solidarity suppliers who demand money as a way of settling debts..

5. Well-Living as Purpose of Liberation

In 1998, in the theoretical reflection on the practices of solidarity economy, the concept of Well-Living [*bem viver*] emerged and spread over the next few years in many countries of Latin America, as a reference to the praxis of liberation. Well-Living evolved as one of the central concepts in the organization strategy of solidarity collaborative networks, aimed at overcoming the capitalist social formation, of its *mode of production of knowledge, goods and services and of its exchange system*.

In 2007, Well-Living became part of Ecuador's constitutional debate, as solidarity-based Popular Economy was recognized by the State as an economic sector. The Constitution indicated "a new form of citizen coexistence in diversity and harmony with Nature, aiming to achieve Well-Living, *sumak kawsay*". The term *buen vivir* appears 21 times in the Constitution.

In 2010, Well-Living was considered a constitutive element of a new international agenda in the organization of the World Social Forum.

Different concepts of *bem-viver*

- The concept associated with the implementation of public and private freedoms, considering the material, political, educational, informative and ethical conditions for its fulfillment, makes it possible to clarify the contradictions of the process of domination, in which *Well-Living* is denied, and the strategic horizons of liberation, in which the *Well-Living* is stated.
- The concept associated with the Quechua expression *sumak kawsay*, which refers to a dignified and full life, lived in harmony and balance with the cosmos and human beings. However, in the social formation of the Inca Empire domination, mediated by the *Quechua* language, the concept of harmony could also be aimed at the reconciliation of opposites and therefore legitimise the subjugation of dominated peoples, given that *kamay* means *to dominate as well as providing for and caring*, whereas *qispiy* and *qhispiy* associate freeing oneself to *forgiveness*.

Well-Living as fulfillment of public and private freedoms

The exercise of freedom, as human praxis, is fulfilled within a network of ecological and social flows continuously feeding back. It requires material flows, power flows, flows of knowledge and ethical conditions in its realization.

- **Material flows:** they are necessary to ensure the dynamic equilibrium of ecosystems and the universal access to goods and services, as conditions for the warranty of the natural and cultural resources, materials, required for the performance of public and private freedoms.
- **Power flows:** it is necessary to ensure the right of every person to exercise their personal power of decision and of accomplishment both in the sphere of their everyday private life, *micro-political*, as in the sphere of public life, and in the *macro-politics* related to the apparatus and operation of the State and of its civil society, consolidating the democratic exercise of power in the public sphere and respecting autonomy ethically exercised in the private sphere.

- **Flows of knowledge** (information, communication, education): the need to ensure access to information, to knowledge and to the diversity of cultures, world views and ways to realize the freedoms expand the horizons of realisation of freedoms of every person and of all peoples.
- **Ethical conditions of Well-Living**: the freedom of a person is ethically exercised, in public or in the private sphere, when it promotes the freedom of others, contributing to ensure to every person and to all societies the political, educational, material and informational required to the ethical exercise of their freedoms, under the best possible conditions. Public and private freedoms can only expand when conducted in an ethical and solidary way, since the solidary expansion of the first requires the solidary securing of the other.

Praxis of Liberation and Well-Living

- The theoretical category of Well-Living contributes to the critical comprehension of the concrete realization of public and private liberties and the praxis of liberation, taking into consideration its possibility conditions.
- The affirmation or negation of the practice of Well-Living is associated to:
 - the way in which people and societies relate among each other under the existing social formation;
 - the degree of access they have in relationship to the necessary means for the fulfillment of private and public liberties by means of the existing economic exchange system;
 - the form in which these means are produced and used by people and society: *negating* Well-Living, in forms of exploited subordinated labour; *or affirming* Well-Living, as the realisation of a solidarity and ecological mode of production of the goods and services which are necessary for the expansion of the private and public liberties, ethically exercised.
- ➔ The solidary realization of Well-Living has to be the central element in the organization of new social formations, new exchange systems, and new modes of production of knowledge, goods and services.

6. Socio-economic Community Collaborative Networks

The building of collaborative networks, integrating solidarity economic communities and different actors of solidarity economy, feeding-back economic, power and knowledge flows, makes it possible to advance in the strengthening of the public non-State power and the promotion of the Well-Living of people and societies.

When the economic flows of a territory or nation are reorganized to overcome its dependence from capitalist economic flows, expanding its capacity in the production and fulfillment of its own needs, an endogenous development takes place. Its feedback synergic binding is ***autopoiético***, as it is economically a self-strengthening binding and ecologically a self-balancing binding. But since no territory can produce everything that is necessary for its consumption, an inter-territorial and international organization of the solidarity economic flows in collaborative networks is necessary, so that the sustainable development can consolidate in these territories and nations.

Organization of Solidarity Economy Circuits

- 1. Mapping the economic flows** (of households, enterprises, organisations and governments), allowing the needs of final and productive consumption to emerge, as well as the discarded residual parts and the offer of goods and services provided by the actors in a particular territory or investigated network.
- 2. Diagnosis of the mapped economic flows**, connecting the offers and demands so to show the productive chains, existing gaps or surpluses of offer in relation to the demands of unmet needs and volumes to be fulfilled by solidarity local actors or from other territories;
- 3. Consumption plans:** detailing the volumes of goods and services to be introduced in the exchange system, both in the internal circulation as well as in external trading;
- 4. Development of on-demand service plans:** designing and redesigning endeavors for purchases, exchanges, trade and production of goods and services, in order to meet the needs of households, enterprises and governments considering fair prices and the economic, ecological and social sustainability of initiatives and processes;

5. **Solidarity Economy Network or Community planning:** by connecting together the needs-fulfillment plans, integrating the enterprises (organisation of solidarity-economic circuits, linking the consumption, exchange, trade, production, finances and technological development);
6. **Economic flows monitoring network building and optimizing of internal and external connections:** enabling gains in synergy and solidarity-based logistics solutions in the operationalization of the flows;
7. **Reassembly of the production chains,** avoiding the outflow of value from the solidarity network and reducing environmental impacts;
8. **Optimizing the value flows of the network or economic community,** by organising a **solidarity exchange system**, defining volumes of economic means to be interchanged and the volumes of credits to be generated (with emission of self-managed value signs) and distributed among the participants;
9. **Generation of solidarity credits by the economic community or solidarity network,** for the amount planned, organized into a Local Solidarity Economy Fund, which make the operation of monetary and non-monetary flows possible in a collaborative way, within the network or community, ensuring the liquidity and solvency of the system;

10. Development of the organizational tools, which should be made adequate to the particular needs of each reality.

→ Implications of the Organisation of the Solidarity Economic Circuit

- the consumption needs of households, enterprises and governments, fulfilled within the collaborative network, is converted into the operating revenues of the solidarity initiatives providers, both local and from other territories.
- the surplus values produced by the economic actors are channelled to the Solidarity Economic Fund.
- the network is capable of self-financing for the promotion of sustainable development at its territorial level, and provide inter-regional and international feedback solidarity economic flows, for best results with strategic investments and collaborative actions.
- in correspondence to the *monetary values* channeled by the actors to the Fund, equivalent solidarity credits are generated in their favor, which may be used by them to obtain goods and services provided by any integrated actor in the solidarity exchange system in any country or, even, to obtain monetary values for the settlement of payments outside the collaborative network.

→ with the progressive development of the solidarity economy productive forces, it will be less and less necessary to resort to external providers, non-solidarity and non-environmentally friendly, to address any economic needs, both public and private, and as such those economic actors will tend to disappear over time.

End of Presentation