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Book Review: Vishwas Satgar (ed.), The Solidarity Economy Alternative: Emerging Theory and Practice

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BOOK REVIEW

Vishwas Satgar (ed.),

The Solidarity Economy Alternative: Emerging Theory and Practice, University of KwaZulu-Natal Press: Durban, 2014; 332 pp.: ISBN 9781869142575, US\$34.44

Reviewed by Andrzej Klimczuk, *Warsaw School of Economics, Poland*

Keywords: cooperatives, social economy, social entrepreneurship, social inclusion, solidarity

The main assumption of this volume is that there is a need to search for new economic systems because neoliberal capitalism is in a deep crisis. This observation is related not only to the recent global financial crisis that started in 2007/2008, but also to the negative impact of capitalism on sustainable development, its technocratic/top-down 'catch-up modernization project' applied to countries of the Global South, and the limited interest of capitalists in social responsibility. Thus, after describing the limits of capitalism, Vishwas Satgar argues that policy makers, activists, and scholars should focus on the development of grassroots solutions and real possibilities that are already emerging and being disseminated around the globe. Satgar argues that the solidarity economy should be a counter-hegemonic political economy and an economic, cultural, and political praxis that fosters the liberation of all people through ethical and sustainable means.

Beyond the introduction, the book includes 10 contributed chapters divided into three sections. The chapters are written by practitioners as well as theoreticians who work in fields such as sociology, political science, legal issues, philosophy, international relations, and community studies, and are from South Africa, the United States, Brazil, Italy, and the UK. Despite this diversity of views, thanks to the excellent editorial work and long discussions behind the book (which began in 2011 with a conference organized by the Co-operative and Policy Alternative Center in Johannesburg, South Africa), all chapters share a common and coherent perspective on the solidarity economy.

The first section is focused on a description of theoretical perspectives on the solidarity economy that have been so far scattered in publications in economics, sociology, philosophy, and political science. Thus, this section is significant as it tries to organize basic concepts, identify opportunities and limitations of the solidarity economy, and learn from the experiences of countries that in recent years have supported the social economy, such as Italy, the UK, Spain, and Canada. Michelle Williams ('The solidarity economy and social transformation') focuses her analysis on contrasting solidarity economy and social economy. Williams shows

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that these concepts are sometimes used interchangeably or are combined (e.g., by the International Labor Organization [ILO] and the United Nations Research Institute for Social Development [UNRISD]), which is confusing.

From the historical perspective, the social economy has been subordinated to the free-market logic. The social economy includes organizations and enterprises that focus on progressive change mainly through activities aimed at the social inclusion of marginalized communities, which in fact sometimes is related to the externalizing of public services, which in turn leads to greater precariousness of 'working poor.' In contrast, the solidarity economy puts the focus on citizens and workers who develop experiments, possibilities, and practices to overcome capitalism through a democratic process to achieve control of the means of production, distribution, and consumption. Hilary Wainwright ('Notes for a political economy of creativity and solidarity') continues the topic of labor and suggests that human creativity should be seen as a common good with a respectful relationship to nature. Thus, labor should be reclaimed to generate decommodified spaces and to address the alienation of labor, which will further allow the reconfiguration of markets and companies into a fairer and more equitable place. In the next chapter ('The social economy in Italy: Limits and possibilities'), Marco Berlinguer discusses the consequences of the solidarity economy for grassroots movements, nongovernmental organizations, and policy makers. In particular, he shows that new models of value creation require new approaches, since usual economic measurements fail to notice the positive impact of nonprofit activities, and that from the macro-level and perspective of state governance there, is a need to go beyond the gross domestic product.

The second section describes the experiences of social movements attempting the institutionalization of a solidarity economy in the United States and Brazil. Ana Margarida Esteves ('The emergence of the United States solidarity economy network') shows that the promotion of the new economic system in the world's largest national economy is, in fact, responding to both market failure and state failure. The chapter underlines the long history of the solidarity economy movement (going back to the early 19th century), the barriers to creating an alternative economic system, and the recent (in 2007) creation of a formal identity of the movement. In contrast, Chapters 6 and 7 by Euclides Mance and Esteves focus on the formally recognized solidarity economy movement in Brazil. What is important in these chapters is the observation of how cooperation between political and socioeconomic forces and the government influenced the shape and tasks of the solidarity economy. These chapters not only show how principal actors established the Brazilian solidarity economy, which was a process

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of constructing networks for the alternative production and consumption of goods and services, but also the depth and scale of thinking about alternative economies in Brazil. In particular, Mance points out the ethical, political, economic, and philosophical and practical foundations that show the solidarity economy as not a utopian idea and one that should be significant not only for social activists but also for public policy makers.

The last section focuses on the potential for developing a solidarity economy in South Africa. In this context, the alternative economy is seen as a response to inequality, injustice, and oppression as well as a way to establish a new relationship among production, distribution, and consumption. The section opens with a chapter by Satgar ('The solidarity economy alternative in South Africa: Prospects and challenges'), which takes a closer look at the post-apartheid context in which the solidarity economy may develop as a part of the process of democratization and the struggle with a neoliberal political economy. Satgar points that there are already activists who focus on cooperative development, food sovereignty, cooperative banking, and anti-capitalist actions. Mazibuko K Jara ('The solidarity economy response to the agrarian crisis in South Africa') shows why the food crisis is the biggest challenge that may be solved by the solidarity economy. This economic system may advance food sovereignty by promoting small-scale agriculture and semi-subsistence food producers, but there is a need to mobilize agrarian incentives. In the next chapter, Andrew Bennie continues this discussion with a look at two case studies of South African townships: first, a study of forming a solidarity economy network; second, creating an agricultural worker cooperative. In the final chapter, Athish Kirun Satgoor describes an example of the potential of the solidarity economy. He explores the experience of the occupation and worker takeover of the Minline-Tap Engineering factory. The chapter shows the possibilities of using Wainwright's concept of labor as a creative common and the struggle and capacity for worker control.

The book gives a coherent view of the solidarity economy. However, it lacks a critical summary that could have been presented in a separate chapter or foreword. For example, it would have been interesting to have had more discussion on future research directions, on the relationship of the solidarity economy with the welfare state, and the politics of non-state social welfare in the Global South. It is interesting that the volume focuses mainly on the economic practices and, for the most part, does not directly refer to theories of economic systems. Thus, the book avoids describing the relationship of the solidarity economy with other emerging systems. The positioning of this alternative economic system among concepts such as the informal economy, underground economy, gift economy, moral economy, creative economy,

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and sharing economy might have been particularly interesting for scholars.

Nevertheless, *The Solidarity Economy Alternative* organizes theory and practice and may be valuable to scholars and practitioners interested (or engaged) in designing social policies and community development.