

Household and Solidarity Economy

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I'm thankful to Bauhaus Dessau Foundation for the invitation to participate on this international summit on domestic affairs¹ to speak about new models of economy, rethinking the household.

I present, initially, some ideas to rethink the household, connecting this subject with the human need of the *living communities*, which integrate private and public freedoms into feedback loops. After, I will speak about how the solidarity economy can contribute to ensure the *bem-viver* (well-living) for all, developing other production mode, other interchange system and other social form.

1. Rethinking the Household

All human beings have needs to satisfy. There is a set of material flows which fulfill these needs coupling our life to the ecosystem. But the sustainable integration of our life to the ecosystems by these ties of material flows requires a mediation of the human communities. In fact, the community of human beings is the necessary way to the structural coupling of each human being to the ecosystem.

Without the collaboration of other persons, who cared about us when we were just born and during our first age, we wouldn't have survived, we wouldn't have had performed the passage of our birth to the first stage of the realization of our freedom.

It occurs because the human being needs *knowledge* to perform this structural coupling with the ecosystems and with the human societies. In the first stage of our life, we need to learn how to think and how to communicate our needs and how to appropriate the disposable knowledge in our community of life to increase our freedom. It is a vital process for the autopoiesis of the human community, because the community is constituted by the self-reinforcing flows and self-equilibration flows among their members coupling them to the ecosystem flows.

As the knowledge flows compose at the same time information, communication and education, we need the languages to think. Without a semiotic system developed by the human community, we cannot represent the world in our mind or conceive it under analytic and synthetic approaches. We cannot design it collectively as a different reality and change it or transform it. Thus, I cannot think without others. I cannot educate myself without others. And, because this, Paulo Freire concludes about our freedoms: "Nobody liberates anybody, nobody liberates themselves alone: human beings liberate themselves in communion."²

In fact, the human nature is *communal nature*. And each human being depends of the others to survive and to develop his freedom. If other persons had not exercised their powers to solve our problems and fulfill our needs with material and immaterial means and teaching us about how solve our needs using our powers in *collaboration* with other persons, we could not have grown as human beings.

The family is the first form of collaborative community that we integrate. The family organizes material flows, emotional flows, knowledge flows and power flows into its circuits, reproducing feedback loops which integrate its members. Family is the first social network in our life. Household is frequently constituted with members of different families, not related by blood or law.

¹ International Summit on Domestic Affairs - "The world. One Household". 7 to 9 August 2015. Complex of Masters' Houses. Dessau-Roßlau,

² Paulo FREIRE. *Pedagogia do Oprimido*. 17. ed. Rio de Janeiro. Paz e Terra, 1987, p.29

But, when they constitute a *living community*, they practice the solidarity as a way to protect and enlarge the freedom of all them. It requires a collective management of the disposable resources to solve the needs of the household members to achieve the *well-living* for all.

The original meaning of economy was how to organize the *oikos*, the house, to ensure a good life to its inhabitants. But, the way as the domestic economy organizes these material flows, knowledge flows and power flows give more freedom or less freedom to the members of the household.

The different cultures have different forms to organize their households. In fact, the real houses, around the world, are also spaces of several kinds of exploitation, aggression and domination, especially against children and women. And, the hegemonic social forms which reproduces exploitation economies, as the capitalist system, are also based on oppressive powers, unethical but legally organized, at local and global levels, enlarging more and more the gap between the richest and poorest social classes, persons, families, peoples and nations.

In fact, to increase the *well-living* for all, we need to transform simultaneously the households and our societies. We need to reorganize our economic flows, power flows and knowledge flows to building communities, sharing the responsibilities to solve the needs of all human beings in a solidarity way, protecting and improving their private and public freedoms when exercised in an ethical way.

To achieve this goal we need to organize networks, connecting these flows, enlarging the freedom of the people and families, contributing to amplify the range of their networks and constituting enlarged solidarity communities. We need to build other production mode, other interchange system and other social form, ecologically sustainable and socially just, coherent with our *communal human nature*, overcoming the alienation in the activities of production, consumption and communication, overcoming the capitalistic system, organizing our power by democratic way on the micro and macro-politic levels to promote the *well-living* for all.

2. The Economy of Liberation

The economy of liberation give us the opportunity to rethink how we can organize our material and immaterial flows, knowledge flows and power flows to amplify our freedoms throughout ethic ways.

The reality flows are better understood within the logic of networks with positive and negative feedback loops, which are self-reinforcing and self-balancing into open systems. Understanding the flows of reality and reorganizing them in a sustainable way for expanding personal and public freedoms is a basic principle of the praxis of liberation.

The main goal of the liberation economy, as *economic praxis*, is generate and share economic means, on abundant and ecological ways, to ensure the well-living to all. As a *science*, Economy of Liberation *analyses* the economy flows, its circuits, loops and rings, aiming to understand how the production mode and the interchange system works on our societies and also how some economy flows, economy actors and economy systems have emerged and disappeared throughout history. Other aspect, in a prospective view, is to research *how to perform* the economy liberation, collaborating with people and communities about how to eliminate the material and immaterial impediments to their liberation (liberation from) and how to create the new economic solutions to expand the public and private freedoms (liberation to) generating the material and immaterial means required for the *bem-viver* of all.

Some solidarity economy initiatives exploit the differences among economic means, economic value and the economic value signs to organize non-monetary process of production, interchange,

trade and consumption into solidarity economy circuits, connected with other processes of monetary economy, increasing their capacities to liberate productive forces and fulfill the needs of their communities.

3. Solidarity Economy Networks

In a solidarity economy network, part of the surplus resulting from the economic activities is reinvested in its expansion through a solidarity fund, credit co-operative or community bank, among other solidarity finance mechanisms. It makes it possible to increase the economic value self-managed by the communities to advance on *liberation of productive forces*, establishing other productive groups, enterprises, co-operatives and other solidarity initiatives.

The basic goal of a network in the solidarity economy is to reorganize supply chains in order to: produce everything that is required to fulfill all needs; correct flows of value in order to prevent values from escaping from the network; generate new work opportunities and new economic initiatives. It is also a strategy for sustainable development.

Within this strategy, surplus economic value, generated within supply chains support the development of solidarity finance to achieve the *liberation of productive forces*. Therefore, it promotes the emergence of new initiatives; the reconstruction of supply chains; the reduction of the labor journey; and the expansion of the solidarity economy in terms of products, services, supplies, credit, technology and investment. All this is aimed at building a new economic system based on democracy as a universal value.

4. Solidarity Economy Circuits and Communities

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 synergic feedback loop is *autopoietic* because it is economically a self-reinforcing loop and ecologically a self-balancing loop. 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.

We can resume the methodological steps to organize solidarity economy circuits as follow.

- **Mapping the economic flows** (of households, enterprises, organizations 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.
- **Diagnosis of the mapped economic flows**, connecting the offers and needs 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;
- **Elaboration of 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;
- **Elaboration of on-demand fulfill plans**: designing and redesigning endeavors for purchases, exchanges, trade and production of goods and services, in order to meet the needs of households, enterprises, organizations and governments, considering fair prices and the economic, ecological and social sustainability of initiatives and processes;

- **Planning solidarity economy network or economy community:** by connecting together the consumption plans and needs-fulfillment plans, integrating the enterprises, organizing solidarity-economic circuits, linking the consumption, exchange, trade, production, finances and technological development;
- **Monitoring network economic flows, rebuilding and optimizing internal and external connections:** enabling gains in synergy and solidarity logistics solutions in the operationalization of the flows;
- **Reassembly of the production chains,** avoiding the outflow of value from the solidarity network and reducing environmental impacts;
- **Optimizing the value flows of the network or economic community, by organizing 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;
- **Generation of economic value signs for non-monetary credit by the economic community or solidarity network, on the amount previously planned, and organization for the local monetary fund.** There are different kinds of these economy value signs. I have here four types of it, to show to you. There are different methodologies to generate these different signs of economic value. But, all these methodologies are under control of the communities. The communities have the power to issue, manage and eliminate these signs of value. The money is not above the persons. The persons have the power on their signs of economy values. It makes possible the easy operation of monetary and non-monetary flows in a collaborative way, within the network or community, ensuring good conditions for their solidarity interchange system;
- **Development of the organizational tools,** which should be made adequate to the particular needs of each reality.

5. The *Bem-Viver* as a goal of the liberation praxis

I advance now to the last point. It is for me the most important point, because I will speak about the *bem-viver* (well-living). It is an ethical concept for how to reorganize our societies and our households. The argument about it is very summarized here.

In fact, *life* and *good* or *well*, as ideal, transcendental or metaphysical entities doesn't exist in reality. What really exists is the *living* of each living being, which emerges in the feedback loops of material and semiotic flows. Likewise, because every language is a hermeneutic process of semiotic interpretation, the idea of what is the good or well changes along the history. So, we prefer focus on the real *well-living* of each person and all people, which is performed in loops and rings of material, power and knowledge flows.

We ought protect and promote all private and public freedoms ethically exercised. And this protection and promotion is at the basis of the notion of well-living (*bem-viver*).

There are four conditions to achieve it.

The first condition are the material flows. Both ecological flows and economic flows are necessary conditions for the *bem-viver*. Therefore, it is necessary to preserve the balance of ecosystems and ensure universal access to goods and services for all peoples ethically perform their freedom.

The second condition are the power flows. It is the need to ensure to each person both the power of

decision in his private life, on the micro-politics of everyday, as the power to participate equally in the democratic decisions on the public sphere, on the macro-politics referred to the State and civil society organization. Thus, the well-living requires the self-determination of purposes and the self-management of means, taking into account the retro-actions between individual and community needs and freedoms.

The third are the knowledge flows that integrate information, education and communication. They need to be ensured to everyone on the better way as possible.

At last, we have the ethical condition: freedom is ethically exercised when promoting other freedoms which are also ethically exercised. If I perform my freedom in an ethical way, I shall promote the ethical freedom of others, doing everything I can to ensure the material, power and knowledge flows to them, in the best condition, under the stage already achieved of development of the knowledge and productive forces, to fulfill their material needs. to exercise their power on deciding about their private and public life, and to access the diversity of cultures and worldviews, on equal conditions as everyone else. But, in the exercise of their freedom, they shall also promote the ethically performed freedoms of all persons.

Thus, the well-living, as historical realization, is always and simultaneously partially denied and partially realized. Because this, we shall act to delete denials that prevent its implementation and ensure the required means to expand the ethically exercised public and private freedoms of all people. Moreover, as an analytical category, the *well-living* does possibly consider how material, power and knowledge flows operates into a feedback loops of oppressive praxis or feedback loops of liberation praxis, particularly regarding to the production mode, interchange system and social form of our societies.

The solidarity economy initiatives need advance from the survival economy or resistance economy to become liberation economy, building solidarity economy circuits and liberating the productive forces from scarcity of money.

About the *solidarity productive mode*, the new models of work shall be based on the self-management of economic flows, knowledge flows and power flows by workers, consumers, households and communities in their restrict and enlarged networks.

About the *solidarity interchange system*, the solidarity economy initiatives are able to integrate into networks their flows of economic mains, economic values and to generate, to manage and to eliminate the economic values signs, on the amount required to ensure their non-monetary interchange of goods and services. They can liberate the productive forces of the scarcity of money, because their goal isn't money accumulation but the distribution of economic means to enlarge private and public freedoms.

The distinction between productive and unproductive works is generally equivocated. We don't reduce productive work to the work which increases the capital. We define the productive work as the work which generates the required mains to fulfill the needs for the *bem-viver* of each person and all communities.

Thus, the global transformation of societies by means of the feedback of economic, power and knowledge flows organizing solidarity collaborative networks, implies the constitution of these horizontal networks. Such form of collaboration ensures to the people and human communities the economic means which are necessary for their *bem-viver*, 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 when they respect as public and private freedoms ethically exercised.