BRAZILIAN FORUM OF SOLIDARITY ECONOMY

The management and organization experience of the Solidarity Economy Movement in Brazil
BRAZILIAN FORUM
OF SOLIDARITY ECONOMY

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Solidarity Economy

Solidarity Economy is fruit of the organization of workers in the construction of new economical and social practices based on relations of solidarity partnership, and inspired on cultural values where men and women are protagonists and the purpose of the economic activity, and not the private accumulation of wealth in general and capital in particular.

These new practices of production and consumption privilege the collective work, the self-management, social justice, the care with the environment and the responsibility with the future generations.

The Solidarity Economy movement has grown quickly not only in Brazil, by also in many other countries. This development is due to a number of factors, including primarily:

1. The resistance of male and female workers to increasing exclusion, urban unemployment and rural exodus as a result of the aggressive expansion of globalization, rendering more and more people completely dispensable in terms of running the production and consumption machine. This opposition is expressed firstly as a struggle for survival, with the creation of a increasing informal market, where many popular economy initiatives pop up, including street vendors, parking watchers, and many other activities generally focused on life reproduction and of individual or familiar nature. Thanks to the initiative of several players, such resistance is also expressed as associate, shared actions focused on life reproduction as well, but taking a further step by developing other structures for economic organization based on values like life and solidarity, rather than profit and indiscriminate amass of money: this is the Solidarity Economy that is developing and growing at a quick pace.

2. In our country, the growth of the Solidarity Economy as a movement - going beyond isolated, independent actions, and organizing itself towards a common association, networks configuration and struggle - takes a significant leap with the World Social Forums, a privileged space where different actors, organizations, initiatives and solidarity economy enterprises were able to develop an integrated work that resulted in a demand presented to newly elected president Lula to create a Solidarity Economy National Secretariat (SENAES). Together with the creation of this Secretariat, the Brazilian Forum of Solidarity Economy was created during the III Solidarity Economy National Plenary Meeting that represents this movement in Brazil. We can say that these two organizations, plus the World Social Forum, led the Solidarity Economy in Brazil to a significant growth and structuring.

The Brazilian Forum of Solidarity

Created in June of 2003 during the III Brazilian Solidarity Economy Plenary Meeting, the Brazilian Forum of Solidarity Economy (FBES) is nowadays the national authority in charge of the organization, discussions, preparation of strategies and mobilization of the Solidarity Economy movement in Brazil. The FBES represents the Solidarity Economy movement regarding the public authority (at federal, state and local level, through its National Coordination and the State and Local Forums), and domestic and international organizations, networks and associations.

The Charter and the Platform of the Solidarity Economy have been developed and are continuously in progress to direct the actions of the Brazilian Forum. While the Charter supplies the basic elements of the movement, the Platform establishes the main targets to be attained and serves as a document to support the discussions with the Solidarity Economy National Secretariat (SENAES/MTE) and other public organizations. The Platform of the Solidarity Economy was fully approved by SENAES in its long-term plan of action.

The FBES has seven lines of action (as detailed in the Platform):

1) Social Organization of the Solidarity Economy Movement;
2) Production, Commercialization and Consumption Networks;
3) Solidarity Finances;
4) Legal Frame;
5) Education;
6) Communication;
7) Democratization of Knowledge and Technology.
The FBES is structured so as to ensure the association of the three segments of the Solidarity Economy movement: solidarity economy enterprises, advisory and fostering organizations, and public managers.

Solidarity economy enterprises are the various tangible ways of manifestation of the Solidarity Economy, which can be very rich and assorted. The solidarity economy enterprises are the leading performers and the target of the movement, making up most of the representation in all the FBES decision-making levels.

It is worth mentioning here some of the manifestations of the Solidarity Economy so we can understand the significance and heterogeneity of the solidarity economy enterprises segment: cooperatives (production, services, consumption, commercialization and solidarity credit); popular associations; production and service informal groups; recovered self-managed companies (former capitalist companies that went out of business and were recovered by the workers); solidarity and rotation credit funds (organized under several legal systems and informally as well); solidarity exchange clubs and groups (using or not a social or community currency); networks and associations for commercialization and for supportive production chains; solidarity tour agencies; and many others. The solidarity economy enterprises are based on the principles and values contained in the Charter of the Solidarity Economy, whose main points are the self-management of their internal organization and the fact that they are suprafamiliar with an economic activity nature.

Another segment of the movement is formed by the advisory and fostering organizations, which are organized as not for profit associations (NGOs) or universities (technological incubators and extension groups), and render support and development services to the solidarity economy enterprises, either in the form of training actions (technical, economical and political), or in the form of direct support (structure, consultancy, project development and/or credit offer) for the incubation and promotion of solidarity economy enterprises.

The third segment of the Solidarity Economy in Brazil is the public managers, formed by representatives of the local and state governments with programs clearly focused on the Solidarity Economy. This segment is represented at national level by a network or public managers holding a seat in the FBES National Coordination as one of the national organizations/networks.
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Brazilian Forum of Solidarity Economy

FBS Structure
With a view to ensuring the integration of the three segments (solidarity economy enterprises, advisory and public management organizations), the FBES has a National Coordination, an Executive Coordination, a National Executive Secretariat, Solidarity Economy State Forums, National Development Organizations and Networks, and Solidarity Economy Working Groups, which are described below.

### National Coordination and Executive Coordination

The FBES major decision-making authority is the National Coordination that consists of representatives from the 16 organizations and national advisory networks, in addition to 3 representatives from each of the 27 states of Brazil. Two of these 3 state representatives are part of the segment of the solidarity economy enterprises and one is an advisor or public manager. The National Coordination, therefore, is made up of 97 members (27x3+16) who meet twice a year.

For the daily political management, articulation with other movements and the federal government, and accompaniment of the National Executive Secretariat, there is a National Executive Coordination, composed of 13 people, where 7 are representatives of solidarity economy enterprises (2 from the north, 2 from northeast, and 1 representative for each one of the three other geographical regions of the country); 5 are representatives of the National Networks and Organizations for the promotion of the Solidarity Economy; and 1 is representative of the Brazilian Network of Solidarity Economy’s Public Policy-Makers. Finally, to support the works of the FBES, to propitiate the communication between the instances and to operate meetings and events, there is a National Executive Secretariat.

### The Working Groups

In accordance with the actions and demands of the Solidarity Economy movement, it is necessary to create Theme Working Groups for the Solidarity Economy of a predominantly technical and operational nature, made up of National Coordination members and of renowned organizations or experts in the theme area appointed by the National Coordination, in addition to members recommended by the Solidarity Economy Executive Secretariat: it is therefore a mixed organization (government and society) of great importance to the FBES and to the SENAES. The groups are required to submit the schedule of activities and the final report to the Assistance Committee, reporting them to the National Coordination as well. The WGs are required to go in greater depth into the discussions raised by the FBES and/or SENAES National Coordination, to prepare plans of action and possibly assist in the performance of the proposed actions.

The following characteristics are common to all the WGs:

- The WG is an intercommunication exercise between the accumulation of practices, the movement’s demands and propositions to the governmental areas responsible for the specific government policy coordinated by SENAES, with the purpose of recommending policies. This exercise will help us prepare for running the Sectoral Chambers after the creation of the National Council, which will bring about the institutionalization of the WGs;
- The WG is a space for organization, systematization and appropriation of the movement procedures for the socialization of what has been accumulated, and to make it visible to the movement itself and to the government. Collecting such procedures is one of its tasks. For that reason its members should be or come to be in connection with such procedures;
- The WG is a service rendered to the movement for the systematization of the most advanced procedures and their return to the group, directing the collectives that decide to put them into practice. Consequently its participants should be skilled in systematization and have a wide knowledge on the themes;
- The WG is a space for coordination and reflection on each theme with the purpose of getting ahead with the Policy proposals. For that reason its members should be able to organize policy proposals, to negotiate them with the government or the civil society forces, to lead the movement discussions;
- The period 2005/2006 the WGs will be preparing the materials to “feed” the mobilization and the discussions of the State and National Conferences;
- The WGs should have as far as possible, without harming any previous provisions, the participation of the FBES segments, as well as a certain regional distribution of its members.
In Brazil, the Solidarity Economy State Forums are organized in 25 of its 27 states, and the 2 remaining states are making arrangements to form their State Forums.

The State Forums provide the capillarity and the organicity of the Solidarity Economy movement in Brazil, consisting of cooperation areas in the three segments (solidarity economy enterprises, advisory and public management organizations) with various operational routines in conformity with the specific characteristics of each state. There are State Forums with most different organization and structure levels, ranging from states where the Regional and Local Forums are under way, to states where the movement is still in an early stage of articulation and mobilization development. In general, state advisory groups help the State Forums to develop their infrastructure and hold their meetings and communications within the state.

The State Forums are in charge of organizing Solidarity Economy events in the state, like State Solidarity Economy Exhibits, and they also contact the state public authorities and other civil society organizations so as to insert the Solidarity Economy into such areas as a local development and social inclusion strategy.

Furthermore, the State Forums constitute a privileged space for discussions, political conflicts (typical of any movement) and questions regarding relevant topics of the movement: they act as landmarks in the process of establishing the terms of reference proposed for the actions of the Solidarity Economy National Secretariat of the Labor and Job Ministry (SENAES), for conceptual discussions and the decision-making process of the movement, which is submitted to the National Coordination through its 3 members.

Lastly, the State Forums are also the Solidarity Economy’s front door for solidarity economy enterprises, advisory groups and managers.

### National Entities in the National Coordination

There are, in nowadays structure of the National Coordination, 16 organizations and networks, which are the following:

- **ABICRED** – Brazilian Association of Microcredit Institutions.
- **ADS/CUT** – Solidarity Development Agency;
- **ANTEAG** – National Association of Self-Management Company Workers;
- **Brazilian Caritas**;
- **Brazilian Network of Solidarity Economy’s Public Policy-Makers**;
- **ECOSOL** – Central Cooperative of Credit and Solidarity Economy;
- **FASE** – Federation of Social Service and Education Organizations;
- **IBASE** – Brazilian Institute of Socioeconomic Analysis;
- **IMS** – Marista’s Solidarity Institute;
- **ITCP** – University Network of Popular Cooperatives Technological Incubators;
- **MST/Concrab** – Landless Peasant Workers Movement;
- **PACS** – Alternative Policies for the Southern Cone;
- **RBSES** – Solidarity Social-Economical Brazilian Network;
- **UNICAFES** – National Union of the Familiar-Agriculture and Solidarity Economy Cooperatives;
- **UNISOL** – Central of Cooperatives and Solidarity Economy Enterprises;
- **UNITRABALHO** Network.

Today, eight (08) Theme Working Groups are in operation: Communication; Survey; Legal Frame; Public Policies; Production, commercialization and consumption; International Relations; Solidarity Finances; and Training.
The Solidarity Economy movement faces a great number of challenges, which are taken into account for defining the FBES lines of action. In order to overcome such challenges and as a consequence to accomplish the seven items listed in the Solidarity Economy Platform, the FBES has created Working Groups in partnership with SENAES. Below are the main actions taken by the FBES listed by themes.

These are the most outstanding challenges faced by the Solidarity Economy movement today, in addition to the strategies and actions in which FBES is directly involved in order to overcome them.

To overcome these challenges the FBES has been active in the following areas:

**State Forums**

Since it is a movement that only recently became structured and organized at national level, the Solidarity Economy has been strongly involved in discussions to consolidate and firm up its identity and structure. It is the general thought that the strengthening of the Solidarity Economy movement in Brazil depends thoroughly on the performance of strong, active State Forums rallied across their states. The FBES has been able to organize itself at national level; today, a major priority is to become stronger at state, regional and local level.

The FBES compiled a National Project for the Development of State Forums based on the state plans, and has been raising funds to make them a reality. As a rule, the main needs of the State Forums are the establishment of a state executive secretariat (with the availability of a paid employee and keeping an office) and funds for holding their plenary meetings and their state and regional meetings.

**Solidarity Economy National Council**

The Solidarity Economy National Council (CNES) was created following a decision of the President of the Republic that created in the same Act the Solidarity Economy National Secretariat. Discussions moved forward in 2004 and 2005 and it became clear to the Solidarity Economy movement how important it was to put the Council into effect for the development of Solidarity Economy public policies.
Through its national meetings the FBES prepared a proposal for the movement containing the CNES structure, nature and goal and delivered it to SENAES/MTE, which in turn studied and amended it and finally forwarded the final proposal to the Presidency’s channels. The Council is expected to be effective by November of 2005.

The creation of the CNES is an important step toward the political insertion of the Solidarity Economy as a public policy within the Federal Public Power, since it is a governmental organization with representations from several departments and several civil society areas, into the state democratization strategy and the development of tools for a more direct participation of civil society in the formulation of public policies, like the integration of inter-ministerial actions. For that reason the movement finds the consolidation of this Council an important achievement in the Solidarity Economy area in Brazil.

The first CNES formation will be temporary until mid-2006, when the Solidarity Economy National Conference will take place and its permanent members will be appointed. The temporary formation is tripartite: Solidarity Economy Enterprises; civil society organizations (including NGOs); and the government.

### State Conferences and National Conference

Following its implementation, the Solidarity Economy National Council will convene the Solidarity Economy State Conferences due to take place in the beginning of 2006, which will culminate in the Solidarity Economy National Conference in mid-2006. These conferences are strategic for strengthening the Solidarity Economy movement in Brazil, because they will consist of a discussion area involving civil society players in Brazil not only in the Solidarity Economy environment but outside the movement as well. This is the reason why all the state and national conferences will be effectively attended by the FBES through State Forums and the National Forum in their mobilization and organization arrangements.

### Training

Training is a key priority of the movement, where several activities are taking place by initiative of the various FBES development and advisory organizations. With the purpose of organizing these experiences in order to establish a common training methodology in Solidarity Economy, the FBES held, in partnership with SENAES, the I National Workshop on Solidarity Economy Training. The event was attended by organizations and groups from all the 27 states of Brazil which are already experienced in Solidarity Economy training activities, and resulted in the first draft principles and methodologies proposal suitable for this sector, which will have to be developed along 2006 and result in publications to promote the Solidarity Economy training initiatives in Brazil.

### Regional Meetings

The FBES has held Regional Meetings in the 5 regions of Brazil (North, Northeast, Midwest, Southeast and South) with the purpose of strengthening the state forums by exchanging experiences in management, political articulation and sustainability of same. These meetings are expected to bring about a stronger regional coordination capacity to the movement, bringing to light solidarity economy enterprises, Local and State Forums. Additionally, they foster the implementation of productive chains, the exchange of information, and promote cooperation among the State Forums by allowing that more organized, structured states can transmit their experience to those in the early stages of forum organization.

### Solidarity Economy Enterprises National Meeting

In 2004 the FBES organized, with the support of SENAES/MTE, the I Solidarity Economy Enterprises National Meeting gathering together around 2,300 members from all states of Brazil and from all Solidarity Economy segments. The Solidarity Economy Platform was widely discussed, resulting in a deeper understanding of such enterprises vis-à-vis the movement and the role they play in the movement.

### Solidarity Economy Survey

The SENAES is conducting a national survey whose goal is to know and make visible the solidarity economy enterprises which actually exist in Brazil. The FBES has been of assistance in the development of such survey, in its implementation and in the joint work with the States through the State Forums, which are part of the State Managing Teams that coordinate the survey in each state.
National System of Solidarity Social Commercialization

The FBES has been working very hard to build a National System of Solidarity Social Commercialization. For this purpose, organizations and forums including FACES and many others, and Ministries including the Land Development and the Social Development Ministry have played an active role in this area.

A strategy proposal for the implementation of this System is under development.

Solidarity Economy Exhibits

The Program for the Development and Support of State Solidarity Economy Exhibits has been developed in conjunction with SENAES, FBES and the Instituto Marista de Solidariedade. These exhibits have three main goals: to offer a commercialization area for the Solidarity Economy products; to provide training in Solidarity Economy to the solidarity economy enterprises taking part in the exhibit and to the general public; and render the movement and the notions of the Solidarity Economy visible to the regular citizens, joining the national campaign: “Solidarity Economy: Another Economy is Taking Place”.

The M ercosur Solidarity Economy Exhibit took place in July of 2005 at Santa Maria, RS, with a significant participation of solidarity economy enterprises from Brazil and other Latin American countries.

“Justa Trama”: solidarity organic cotton chain

In the pursue of strengthening the Solidarity Economy Enterprises by implementing the production, commercialization and consumption solidarity social chains, the Cotton Chain is a good example of how to make progress in this area. It should be mentioned, as an example, that the 60,000 fabric handbags distributed to participants of the 2005 World Social Forum were made thanks to the coordination of clothing, sewing and silk-screen solidarity economy enterprises in the South of Brazil.

In October of this year the Justa Trama brand was launched involving states of the North, Northeast, Southeast and South of Brazil in the many stages of production (beginning with cotton farming) of ready-to-wear clothing items including clothes and handbags. All stages involve a network of solidarity economy enterprises.
Solidarity Economy Finances

Another challenge to the movement appears in the Solidarity Economy Finances area: The creation of a Fund (or funds) to support Solidarity Economy Enterprises, based on the principles, values and basic points of the Solidarity Economy, which can actually potentialize or even make feasible the work of the solidarity economy enterprises.

The FBES has been involved in the following actions:

**PRONADES**

The FBES is developing a proposal for a National Program for the Development of Solidarity Economy (PRONADES) with funds coming from several sources, and the development of a policy containing the methodology and principles to transfer such funds.

**Social Development Backing Fund - FAS**

The F.A.S. is an important fund (more than 300 million reais) available at Caixa Econômica, which has been the object of discussions within and outside the Ministry of Social Development (MDS). The FBES has defended the idea that part of such fund be used in compliance with the Solidarity Economy concepts, in order to finance the various levels of the solidarity economy enterprises. The fund has been passed on to the newly created National Housing Fund, but it is possible that one share is allocated to social inclusion actions, which encompass the Solidarity Economy.

**BNB-SENAES Program**

The FBES has been of great service to the planning, implementation and selection of works for the Program for the Support of Solidarity Productive Projects held in partnership with BNB and SENAES. For instance, it performed the collection of 37 proposals from organizations and communities related to projects of Solidarity and/or Rotation Funds in Brazil. Twelve of such organizations were selected to take part in the supporting program of Banco do Nordeste (BNB) and of the Solidarity Economy National Secretariat, with the initial limit of 1 million reais. In all, 180 organizations working with Solidarity Productive Funds were identified in the semiarid region of Brazil. The BNB/Senaes managing committee is made up of members of the “Mutirão de Combate à Fome da Conferência Nacional dos Bispos do Brasil” (Fight Against Hunger Movement of the Brazilian Bishops’ National Advisory Council) (CNBB), of the FBES, of the Semi-arid Coordination Movement (ASA), of the “Fórum Brasileiro de Segurança Alimentar e Nutricional” (Brazilian Forum of Food and Nutrition Security) (FBSAN) and of the BNB and SENAES.

### Legal Frame and Solidarity Economy development public policies

The creation of a Legal Frame, of a Solidarity Economy Regulation that grants the rights and legitimacy for its recognition as an Economics segment, unlike the Private Sector and the State-Owned Corporations, is a major challenge to the movement in Brazil. It is about ensuring the right to associated work and to get a substantive citizenship, based on socioeconomic activities, to millions of workers and consumers currently excluded from the labor and consumption relations based on waged work. For that purpose, strategies are required to coordinate the reinforcement of the civil society actions and occupying space in the state segment.

Another significant prospect consists of establishing public policies that take into account the specific character of the Solidarity Economy and the entire range of its manifestations (including production and consumption groups, solidarity exchanging clubs using social currencies, solidarity credit groups, and self-managed recovered companies). In other words, the Solidarity Economy should be recognized and contemplated in the development of public policies that are in fact socially and structurally emancipatory. In this regard it is worth mentioning the experiences carried out in the states of Minas Gerais, Rio Grande do Norte and Rio Grande do Sul, where they approved state laws specific to Solidarity Economy. Furthermore, the Solidarity Economy National Council is expected to be created this year, generating proposals for public policies focused on the Solidarity Economy;

The following FBES actions are aimed to meet those challenges:

**State and local funding for ES legislation**

The FBES has been striving to fund the movement’s proposals and actions for the implementation of laws (local, state and federal) destined to empower the various Solidarity Economy levels (production, credit, commercialization and consumption - institutional, corporate and individual) throughout the many legal areas affecting the movement directly, like the labor, bankruptcy, credit, cooperation and incentive to cooperation laws, among others. The Legal Frame Database of the Solidarity Economy in Brazil
The Cooperation Act

In Brazil, the Cooperation Act now in force does not foster the legalization of solidarity economy enterprises, since it does not cover its specific issues and the many ways of their manifestation.

The FBES has held discussions and workshops on the Draft Bill designed to formalize the labor cooperatives. These events are very useful to the movement, so that the mobilization may ensure that this Act is in line with the principles, values and special features of the Solidarity Economy. It is involved in discussions with other civil society players as well, in order to modify the Cooperation General Law so that it may contemplate and promote the development of cooperatives based on the Solidarity Economy principles.

Public Reference Centers for Solidarity Economy

All through 2005 the State and National Forums helped out in the development of strategies to select the localities to be provided with Public Reference Centers: the SENAES, in partnership with the FBES, drew up a Term of Reference for the Public Centers emphasizing the need to carry out Public Sessions in places with pre-selected projects to ensure the effective mobilization and participation toward the development of public centers. The FBES and the SENAES members will take part in these sessions held in the proposing localities.

Legal Frame Database

The database, which is in its final stage of implementation (to be available on the internet), contains the systematization of the entire range of laws in force in Brazil bearing any relation and interest with the Solidarity Economy. The database contains the set of experiences accumulated by the movement in that area (laws already approved at local, state and federal government level).

Communication

Although the Solidarity Economy operates in many practical ways, it is not widely known or recognized even by the organizations in action in its own area, as promoters (advisory offices, NGOs) or solidarity economy enterprises. Therefore, the movement has to make itself known not only for the Solidarity Economy players to recognize themselves as part of a movement, but also to persuade the people in general of the ethic and political significance of the act of consumption, and of the possibility of conceiving a different world with different labor relations, income and power distribution. This is why the FBES is involved in actions as listed below:

National Campaign “Solidarity Economy: Another Economy is Taking Place”

Since 2003 the Solidarity Economy movement has taken part in the development of the proposal for a national campaign to be released this year, whose goal is to add visibility to the Solidarity Economy in Brazil, and to draw the attention of the general public to an ethic and united consumption.

Internal and External communication system

The FBES has developed tools to improve the Forum internal communication and to disclose the movement to the public: a new web page, the maintenance of e-mail lists, the release of reports every fortnight are some of the actions taken in this area. In the regional meetings, the State Forum members will be trained to make their direct contribution with news, schedule of events and maintenance of the State Forum web page in the FBES portal.

International Relations

Extending beyond the national borders, the national movement has been involved with the many movements and networks operating all over the world, especially in Latin America. The World Social Forum has been a privileged space toward this goal. During its fifth meeting (held in January of 2005), the Brazilian Solidarity Economy Forum and the international Solidarity Economy organizations and networks did a joint effort to draw an international document containing the proposals and challenges of the Solidarity Economy around the world.

World Social Forum

The FBES history is closely related to the history of the World Social Forum. The Solidarity Economy has been more and more present in this annual meeting. It is worth mentioning the V World Social Forum (2005) where the
Solidarity Economy, with the active presence of the FBES, took part in the organization of the event itself (meals, platforms, security, making of handbags distributed to participants, and many other activities).

Furthermore, the FBES organized the International Confluence of the Solidarity Economy related activities. More than 120 workshops and seminars related to this theme were held in the event.

Links with the International Networks

Organizations making up the FBES National Coordination have been present on its behalf in international movements of great strategic importance for the Solidarity Economy movement, like the International Dakar Meeting (November of 2005) and the set of events carried out during the Brazilian year in France 2005.