

Tens Years After: Challenges and Proposals
for another possible world
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Intervention on the theme: State organization and political power
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Let me begin by thanking you for this opportunity to contribute to this vast reflection by the World Social Forum on the challenges and proposals for another possible world. I want to begin my remarks by taking a few minutes to explain where I come from and to give the context for the questions and comments which I will be sharing with you.

An emerging social movement: the solidarity economy

I am first and foremost a practitioner who has worked for over the past 25 years in building a movement for economic democracy in Quebec, a small French-speaking nation within Canada. I began my involvement at a local level, working as a community organizer trying to respond to people's social needs, be they access to decent housing, health services or literacy training. As was the case with many others, we gradually realized that the fundamental problem we were facing was the fact that our economic system was creating more and more poverty and social exclusion, even in one of the richest countries of the planet and that if we did not take the challenge head on of finding new ways to develop our economy, we would never solve the problems we were facing.

This intuition, which was controversial for many progressive militants at the time (because it forced us to get more and more involved in economic development with all the compromises this can sometime entail), has proved in the long run to have been the right choice. Today, the solidarity economy, under a variety of different expressions depending on the regional or national context, is a growing movement internationally that seeks to change the very fundamental logic on which neoliberal economics has based itself.. The fundamental goal of the solidarity economy movement is to put the economy at the service of human beings, rather than putting human beings at the service of the economy, which is more or less the situation today.

Today, across the globe, social movements have taken on the challenge of moving from opposition to proposition not only on environmental issues, not only on broad global issues, but through involvement in the day to day challenges of producing goods and services, of exchanging those goods and services, based

on the values of solidarity, equity, democracy and of course with the greatest respect for our ecosystems and the survival of our planet.

The Chantier de l'économie sociale, the organization for which I work, is an example of the new forms of organizations that are emerging within this movement. The Chantier is basically is a network of networks, bringing together solidarity economy enterprises – both cooperatives and non-profits, social movements, including the union movement, the women's movement and others, and local development organizations with the mission to promote and develop the solidarity economy. We work in partnership with similar networks across the world, including the Brazilian Forum on the Solidarity Economy, with whom we have developed a strong and constructive partnership over the past years.

The solidarity economy movement has had to face many complex challenges as it has grown: challenges that involve a wide series of issues including access to capital, new ways to trade and exchange, implementing democratic management within enterprises, training, working conditions, the link between the formal and informal economies and so on.

We have made progress in many parts of the world and we have begun to build continental and intercontinental networks to learn from each other and to reinforce our capacity as a movement. I am one of the North American representatives of RIPESS (Intercontinental Network for the promotion of the social solidarity economy) that has held, since the beginning of the World Social Forum, three major international events, one in Quebec (Canada) in 2001, another in Dakar (Senegal) in 2005 and last year in Luxembourg. Our next event will take place in Asia in 2013.

Though we are fundamentally a grass roots movement that is growing from the bottom up and is seizing more and more space in the economic realities of our respective countries and continents, we are confronted every step of the way by the issue of political power and state organization. This is no surprise. How can we build a solidarity economy, how can we democratize economic activity without new forms of political power and political organization?

I am fully aware that these new forms of political power and organization cannot be rethought only on a national basis. The issue of global governance structures is a central question in this debate. However, I will not adventure onto this subject as it is not my sphere of expertise. But even if, as an international movement, we succeed in changing the direction of international bodies and international trade agreements, the fact remains that we must still confront the important question of how to organize political power at a national and even local level. For it is at that very level that many decisions that affect our daily lives are carried out and it is at that level as well that there is a need for fundamental changes. This is indeed the challenge that many newly elected progressive governments are struggling with here in Latin America. There is no question that

gaining power is a huge step forward... but the next step –what we do with that political power, how one organizes government - is often filled with complex challenges and important stumbling blocks.

So in the next few minutes, I would like to focus my contribution to this important debate on two questions that, together, we must better understand if we are to build this other, better world of which we all dream.

The relationship between the state and civil society

The first question I will discuss is the question of the relationship between the state and civil society in the exercise of political power. This issue of course must be put into the context of the overall fight for political democracy. The right to vote in free elections is, as we all know, a fundamental component of democracy which unfortunately is still inaccessible in too many countries across the planet.

Since the first World Social Forum in 2001, some progress has been made in certain parts of the world. In Eastern Europe, systems of representative democracy have been more firmly implanted and in several Latin America countries, progressive governments have been elected and in some cases have implemented constitutional changes to reinforce the democratic functioning of the State. At the same time, particularly in certain countries or sub-regions in Africa and Asia, repressive regimes have maintained their control. In several parts of the globe, regional conflicts are so intense that national and international institutions are unable to maintain any form of governance.

But even in countries with strong democratic traditions, representative democracy has shown its limits. Some limits are linked to the control of the wealthy and powerful over the electoral process: lobbies, control of the media and outright corruption have undermined the legitimacy of elections in some of the richest nations.

But beyond this, I would dare to say that in North America and Europe, despite its long tradition, representative democracy is in crisis; participation in the electoral process has declined in many countries and cynicism towards the political elite has reached new heights. This is true at the national level in many countries and often even more the case at the state or municipal levels of government. People have the impression that no matter who they vote for, nothing changes. And thus they seek out other ways to make changes in their lives.

This is why, while traditional representative democracy has declined, new forms of democracy have been growing in a wide diversity of forms. Local development based on community empowerment, new forms of local governance, participatory budgets, citizen assemblies, and other forms of democratic civil society institutions are playing important roles in redefining the exercise of political

power. The rise in the number and diversity of associations, and particularly solidarity economy organizations and enterprises, have opened new political spaces to intervene in fundamental issues such as the environment, quality of life, the role of culture etc.

In fact, civil society organizations, through local, national and international networking, have become central actors in the exercise of democracy today. There is no question in my mind that the premise on which the first World Social Forum was founded has proved to be true, that civil society has a fundamental and strategic role to play in the exercise of political power.

I feel strongly that this is not a temporary phenomenon; it is part of a fundamental transformation of the exercise of political power. I am convinced that there is no going back. Civil society cannot be limited to playing a role of opposition until the taking of power through democratic elections. We are in a historical process in which representative democracy is showing its limits and the need for the institutionalization of participatory democracy is essential to the future of our democracies, where they exist, and a basis on which to build, where democracy is still part of the future.

Participatory democracy commands new forms of organisation of the State. The traditional model of progressive governments, in the form of strong centralised institutions that take responsibility for all aspects of socioeconomic development through direct intervention, can no longer be considered the most appropriate model for the 21st century. Democracy must be based on active citizenship and for that to happen, there is a need for institutions that allow this active citizenship to flourish. In order for more decentralised, participatory forms of democracy to take place, there must be a sharing of power between elected officials and civil society on a permanent ongoing basis at all levels of state organization. This is not a simply goal to achieve, particularly because we must also maintain certain mechanisms that continue to respect certain principles of universality, equity and equality in the organisation of government.

But we must take up the challenge, Top down solutions cannot work. No government, no matter how progressive it is, can have the flexibility and the intimate knowledge of local realities to be able to respond adequately to the specific needs of each community. This is even truer today than ever, for sustainable development demands a constant integration of economic, social, environmental and cultural concerns and objectives. It is at the level of community that this integration can take place and our challenge is to identify the mechanisms and the structures, in each national context, that allow this integration to take place while assuring, through the exercise of state power, the checks and balances to protect basic rights for all citizens.

There are no simple answers to this challenge. But once again, civil society is showing the way. Yesterday, I listened to a representative of an organisation of

indigenous people from Peru who emphasized the need for his people to be able to control their land, their resources, their economy, their culture, and their local institutions. This is the same demand we are hearing from communities in my country, and in countries around the world, as citizens come together to empower themselves and take in hand their own development.

The challenge now is to respect this bottom up empowering approach in which common territory and common culture become a space for new political institutions that work hand in hand with national governments to assure a better quality of life for all citizens,

The relationship between economic and political democracy

The second question I want to discuss in the context of this panel on political power is the issue of economic versus political democracy.

Once again, it is a sad reminder of the state of democracy in the world today, that even in countries where democratic institutions are functioning well, inequalities between the rich and the poor have grown over the past decade. The fundamental source of these growing inequalities resides in the economic system that globalisation and neoliberal ideology have imposed on all countries. Nation states can no longer fully control their economies as international trade agreements undermine the sovereignty of nations. Populations living in the South have been the primary victims of this form of development, but even in countries in the North, the poor have become poorer and the rich more wealthy over the past decades.

But once again, over the past decade, civil society has begun to show the way forward. We have not only understood that economic power cannot be dissociated from political power; we have started to do something about it.

The growing movement for economic democracy that has manifested itself, principally through the social and solidarity economy, is an indication that the issue of political power has taken on an important economic dimension. This growing social and solidarity economy is rooted in relationships of proximity based on territory; its development is closely associated with local development and new forms of partnerships between different actors in an inclusive process of sustainable development, encompassing economic, social, cultural and ecological objectives.

The last decade has clearly demonstrated that, even at the level of the enterprise, there is a need to change the forms of organisation and the exercise of power. The short term vision of 'good management', based entirely on the need to reward outside shareholders, has led to repeated economic, social and ecological disasters. This we all know. But when we talk about democracy in the workplace, neoliberal economists tell us that this cannot work because it is not

efficient and we cannot be productive in a democratic work environment, Once again, they are dead wrong! And we have more and more proof to show it, through our practices within the solidarity economy.

Even in more conventional circles, the effectiveness of the solidarity economy is beginning to be recognised. The best example is the fact that the Nobel prize for the economy in 2009, was awarded to an American economist, Elinor Orstrom, who has demonstrated that true good management, particularly of resources, is exercised not through big top down government bureaucracies, nor through the private sector, but through democratic citizen control, the very basis of the solidarity economy!

The question of political power and economic power has always been at the heart of the vision of the solidarity economy movement. In 2002, I had the opportunity to be part of the first panel on the solidarity economy organised in the context of the World Social Forum here in Porto Alegre. , Paul Singer, who one year later was named by President Lula as Brazilian National Secretary for the Solidarity Economy, was also on the same panel whose subject was 'Solidarity economy as a form of radicalisation of democracy'. The solidarity economy had already been identified as a key component of the discussion of the struggle for democracy and we were convinced, as we still are today, that the challenge of building democracy in the context of globalisation had to be expressed at all levels and in all spheres of life,

If it was true in 2002, it is even truer today. Democracy, as the means of exercising political power, must be present not just in the political sphere but in all aspect of our societies, including our economies. State organisation must respond to the aspirations of men and women across the planet by allowing them to be actors and not simply spectators in the development of their communities, of their nations and of the planet. Our political institutions cannot simply promise to solve economic problems in place of its citizens. They must allow them to have access to the tools to participate actively in the transformation of their daily lives. They must allow them to be part of the decision making processes, to act together not only on the political front but within the heart of the economy. In that sense, the need for institutionalised forms of participatory democracy goes beyond our political institutions. It must also become an integral part of our economic institutions in the construction of a true economic democracy. And once again this requires new forms of state organisation to achieve this goal.

What the solidarity economy proposes fundamentally is a new relationship between the market, the state and civil society. It does not seek to replace the state but recognises that the sphere of the economy must be redefined to allow democratic forms of control and governance, not only through state intervention but at every level of governance at all levels, from the enterprise right up to the level of global institutions.

I am well aware that the question of resolution of the relationship between political and economic power cannot be limited to building more democratic

forms of economic activity at the local or enterprise level. The best example is the fact that, despite this growing grassroots movement, national governments responded to the recent financial and economic crisis in a very traditional way, bailing out banks and multinationals with public funds without confronting the underlining reasons for these crises. The incapacity of the growing movement in favour of new economic alternatives to influence governments' action in this crisis is a clear indication that the capacity to influence economic policy on a national and international level is still very weak.

But it would be a serious error to underestimate the importance of the solidarity economy movement. For the solidarity economy is much more than a multitude of initiatives that allow men and women across the world, even entire communities, to develop in a sustainable model and to respond to their own needs without rejecting the values of solidarity and social justice. Even though, in the current context, with the omnipresence of the neoliberal economy, this is in and of itself an exploit.

What the solidarity economy is demonstrating, with more and more ambition and more and more capacity, is that it is possible to create and develop economic activity, to create goods and services, to organise trade in a totally different economic logic than that which has dominated our economies for decades.

In our relationship to the state and political power, we are innovating not only in our demands and proposals, but in the very process of constructing economic policy. Researchers speak of the need for a process of co-construction of public policy, in which civil society is an active participant in defining and implementing policies in favour of the solidarity economy,.

This is an important political choice; it is an example of the importance of new forms of participatory democracy. For decades, the private sector has imposed its agenda in the area of economic policy. Why should we, actors of the solidarity economy, representatives of all social movement, deprive ourselves of this possibility? After all, we are the real experts, best able to define the ways in which governments and civil society can work together for the common good.

Conclusion

In conclusion, in the debate on state organisation and political power, it is essential to remember that the issue of political power cannot be separated from the issue of economic power. Economic power for the people cannot be fully achieved without access to political power. The role of the state in the economy is fundamental. But political power will remain fragile and transitory without a fundamental transfer of economic power from the minority to the majority through the construction of a true economic democracy.

This is the challenge that all social movements must take on in the next decade. As an active member of the solidarity economy movement, it is my profound hope that the new agenda for the World Social Forum will allow this dialogue to take place, and the solidarity economy movement will have its place at the table in this important debate.

