

Women and alternative economy: Social and solidarity economy as a case in point

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Introduction:

Economic and social conditions in the Arab region were affected by a number of major changes that took place in the second half of the 20th century. These include adopting market economy in the 1970s, the financial crises that hit several countries in the late 1980s, and the structural reform programs brought about by international financial institutions. While those programs were initially seen as the way out of the crises caused by the liberalization of the market, they proved their inability to overcome the numerous problems triggered by the expansion of the capitalist system especially poverty and unemployment and gaps between classes started widening even more. As development failed to materialize and living standards deteriorated, social justice became almost nonexistent, which was one of the main reasons for the uprisings that erupted in different parts of the Arab region.

While disenfranchised citizens in general bore the brunt of such crisis, women were particularly affected owing to their vulnerable status and to the fact they are doubly marginalized in the Arab region. Women's financial burden exceeds that of men on a number of levels. Women constitute a large

percentage of wage and non-wage workers across the Arab region and contribute largely to both the formal and informal sectors in order to bridge the gap between the income of the family and the continuous price hikes. Women are also the first to suffer from the diminishing state role in public services such as healthcare and education since they are traditionally responsibly for the upbringing of their children and for the general survival of the family¹.

This paper will first tackle the general economic and historical framework of alternative economy. The second part will examine social and solidarity economy as a form of alternative economy then will look into experiences on the ground and the role of trade unions and rights organizations in planning alternative solutions and drafting laws and legislations that support them with special emphasis on the case of Tunisia. The third part will tackle women empowerment within social and solidarity economy and the way this type of economy provides women with security and independence. The last part will discuss the role the state can play in order to support social and solidarity economy in

¹ United Nations. "Human Development Report 1995." P. 40.

general and women's involvement in particular.

1-The general framework of alternative economy:

a) International and Arab financial situation:

The series of financial crises that hit the global economy, the last of which was in 2008, had a powerful impact on developing countries. Not only did poverty increase, but the living conditions of the middle class started deteriorating. Unemployment rates rose remarkably especially among educated youths and women in particular. In 2013, unemployment in the Arab region reached 11.41% and the percentage among youths was estimated at 30%². The role of the state in providing public services started diminishing and so did its role in finding solutions to the problems arising from consecutive financial crises such as the emergence of a parallel and informal economy. When Arab uprisings erupted, many social movements and rights organizations voiced the need for an alternative economic model that achieves social justice and enhances the principles of equality and citizenship.

When alternative economy was first proposed, a debate ensued

² "The Arab Sustainable Development Report." Issue 1, 2015.

about what its definition is. For some, it was an alternative to the capitalist system. For others, it was parallel to it. In France, professor of economics and sociology Jaqueline Lorthiois argued in 2005 that alternative economy is defined through its difference from classical economy, which does not mean that it is against capitalism, but rather adopts a different approach in the sense that both can exist at the same time and that alternative economy becomes a space for creativity and experimentation. In the early 1990s, alternative economy was defined as initiatives by citizens that result in the establishment of cooperatives³, which implies independence from the state especially in terms of funding. Lorthiois adds that alternative economy is not an economic theory, but rather a group of experiences and practices whose significance mainly lies in how they can serve as a guide to offering alternative means to dealing with economic issues⁴.

b) Milestones in the history of alternative economy:

Alternative economy appeared in France after the May 1968

³ Jacqueline Lorthiois. "Economie alternative." *Dictionnaire de l'autre economie* (2005):

<https://goo.gl/r1GBm9>

⁴ Ibid.

movement and constituted the culmination of several protest movements that emerged later on. These included:

- Movements against the capitalist, consumerist society
- Peaceful movements in East Europe, also known as post-Prague Spring
- Post-Vietnam war movements in the United States
- Women rights movements that called for wage equality and abortion rights movements
- Women's movements and alliances that emerged in the aftermath of the 1995 Fourth World Conference on Women in Beijing and which were the result of a ten-year work that started with the establishment of alternative development groups by women of the global south in 1984 in preparation for the 1985 Nairobi summit. This group worked on highlighting the catastrophic effects of the world's four main crises: growing poverty and hunger, increasing debt, armament, and fundamentalism⁵.
- Farmers' and local development movements
- Urban movements against marginalization and impoverishment of neighborhoods
- Trade unions and leftist

⁵ Samir Amin and François Houtart. *Resisting Globalization*. 1st edition. The Center for Arab and African Studies, 2004.

movements against the impact of globalization and capitalism on the environment and the waste of natural resources such as Green Peace Movement and Friends of the Earth International.

In 1981, the Agency for the Liaison of Alternative Economy Development (Agence de Liaison pour le Développement de l'Economie Alternative) was established in France and in 1984 the agency issued a statement in which it identified the mechanisms of solidarity funding⁶. In 1984, a British group organized a protest movement during a G-7 meeting in Naples. This movement expanded and called itself the Parallel Economic Summit. In 1986 scores of alliances called for establishing a group comprised of the poorest countries in the world in response to the G-7, which consists of the world's most advanced countries⁷.

In 1999, the Alter-Globalization Movement was established in Seattle where the G-8 Summit was held. This movement organized a number of rallies on different occasions and led to the emergence of several groups that worked on employment and solidarity economy and called for a fair distribution of wealth. Other movements included the

⁶ Jacqueline Lorthios.

⁷ Ibid.

unemployed and looked at ways of fighting growing unemployment as a result of capitalist policies. All these movements and initiatives allied together to form the Alternative and Solidarity Economy Network in France in 1991. This network focused on three major issues that constitute the main foundations of an alternative economy:

- Equal right to wealth, hence equality
- Fair distribution of wealth, hence justice
- Sharing wealth, hence solidarity⁸.

2-Social and solidarity economy:

Social and solidarity economy emerged as a solution to problems that resulted from capitalist policies as well as a means of going beyond the traditional forms of solidarity economy, which was demonstrated in the Maghreb area. In Tunisia and Morocco, interest in solidarity economy started in the late 1980s and the early 1990s after the adoption of structural reform programs. In Algeria, this started in the mid-1990s with the gradual adoption of market policies and in the aftermath of the economic crisis that hit the country at the time.

a) Definitions:

Social and solidarity economy has different names depending on the country and the culture. It is called non-profit organizations in the United States, community work in the United Kingdom, social and solidarity economy in the Mediterranean, popular economy and local development economy in South America, and at times, it is part of the public or private sector. Among the definitions that can apply to different forms of social and solidarity economy is the one stated in the Belgian law. Belgium is one of the first European countries to have a legislative framework for social economy. According to this definition, social economy is a number of economic activities pertaining to producing commodities and providing services through organizations or cooperatives based on a set of ethics that can be summarized as follows:

- Prioritizing the interests of the members over profit
- Independence
- Democracy in the decision-making process
- Giving precedence to human resources and labor over capital in income distribution⁹.

Social and solidarity economy

⁸ Jacqueline Lorthios.

⁹ Chapter 1 of the decree dated November 20, 2008:
<https://goo.gl/ZLLP5L>

plays a major role internationally whether on the economic or the human level. In several European countries such as Belgium, France, and the Netherlands, social and solidarity economy constitutes 10% of the Gross Domestic Product. In fact, social and solidarity economy enabled some European countries of overcoming many of the negative impacts of the 2008 financial crisis¹⁰ that unraveled the drawbacks of the capitalist system.

According to many economists¹¹, social and solidarity economy complements the roles of both the state and the market and attempts to solve the problems both the public and private sector fail to address, on top of which are inequality and social disparities. For them, social and solidarity economy cannot replace market economy, yet it revises many of the principles upon which it is based through, for example, prioritizing human resources over capital and working on changing state policies towards more social

justice. Social and solidarity economy also takes part in activities that were previously monopolized by the state such as agricultural services, education, and women empowerment.

According to the International Labor Organization (ILO), social economy can be an efficient means of bridging the gap between organized and unorganized economies, hence reducing unemployment rates, boosting productivity and competitiveness, and increasing incomes¹². The ILO also stresses that profitable and sustainable productive corporations together with a coherent social economy and an active public sector constitute the foundations for a sustainable economic development¹³.

Cooperatives are defined by the ILO as autonomous associations “of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned

¹⁰ Essam al-Din al-Rajehi. “Social and Solidarity Economy: A Legitimate Tunisian Dream [Arabic].” October 2016: <https://goo.gl/Bc7F8x>

¹¹ Joseph Stiglitz, an American economic expert, is known for his criticism of the economic and financial policies of the World Bank.

¹² “ILO Declaration on Social Justice for a Fair Globalization.” June 2008.

¹³ “Economie sociale et solidaire: noter chemin commun vers le travail décent.” Centre International de formation de l’Organisation internationale du Travail, Deuxième édition de l’Académie sur l’Economie Sociale et Solidaire, 24-28 Octobre 2011, Montréal, Canada: p. 6-2.

and democratically controlled enterprise”¹⁴. Joining and withdrawing from cooperatives, according to the ILO, is voluntary, and the management of cooperatives is based on equality, which is where the role of women is highlighted, not only side by side with men, but also as far as establishing women’s cooperatives is concerned.

b) Trade unions and rights organizations: The case of Tunisia:

The past few years witnessed the accumulation of social and economic problems that resulted from the development programs adopted before the ouster of the Tunisian regime on January 14, 2011. One of the most significant manifestations of these problems was the rise of unemployment rates, especially among youths and women

The percentage of unemployment among university graduates

	Quarter 2 2015	Quarter 3 2015	Quarter 4 2015	Quarter 1 2016
Males	19.9%	21.4%	20.7%	20.3%
Females	38.4%	41.1%	41.1%	39.8%

Source: National Institute of Statistics

¹⁴ [ILO Recommendation on the Promotion of Cooperatives, 2002 \(R.193\)](#)

In the past few years, informal labor started remarkably growing in Tunisia, thus triggering the spread of unhealthy working conditions as workers have no health or social insurance, do not sign contracts, are paid extremely low wages, and work on short-term projects. Agriculture is one of the sectors in which informal labor became widespread especially among women, many of whom support their family after the husbands’ migration to the city in search for better opportunities. Women constitute 60% of the informal labor force in the agriculture sector¹⁵.

In order to minimize the drawbacks of informal labor within the agriculture sector, a protocol¹⁶ was signed on October 15, 2017 stating the following:

- Regulating the work of farmers in the agriculture sector and issuing a pamphlet in which all the terms are stated

¹⁵ Mongia Hedfi. “Economic empowerment of women: Policies and alternatives.” *Social Disparities in the Arab World*. Arab Forum for Alternatives, 2016.

¹⁶ The protocol was signed by the Women and Family Affairs Ministry, the Tunisian Union for Agriculture and Fishing, the Tunisian Union of Industry, Commerce, and Handicrafts, and the Tunisian General Labor Union on the occasion of celebrating the International Day of Rural Women on October 15.

- Establishing a committee to be headed by the minister of women and family affairs and comprised of representatives from relevant national organizations in order to draft the terms in the above-mentioned pamphlet
- The committee is to submit a report of its work progress a month after the signing of the protocol.

The protocol and the conditions that led to its signing highlighted the challenges of merging informal labor into formal economy and this is where social and solidarity economy can play a role as it offers an alternative to informal labor while attempting to deal with the problems triggered by the structural reform programs that proved their failure in achieving real development. That is a number of national and independent organizations, trade unions, and ministries in Tunisia started considering the inclusion of social and solidarity economy into their programs.

Social and solidarity economy is considered a third sector that complements the public and private to strike a balance between addressing market needs and achieving social justice so that the living standards of all Tunisians can reach a decent level, which was one of the goals stated in the 2013 social contract

and the 2014 constitution¹⁷.

In order to regulate this economy, several proposals were drafted such as that submitted by the Tunisian General Labor Union to the government to address the economic and social crises in the country. The proposal focused on drafting a legislation inspired by the preamble of the constitution as well Article 12 of Title One¹⁸. The draft law submitted by the union defined the main principles of social and solidarity economy, its funding, management, and its role in achieving sustainable development as well as the different legislations that can take part in consolidating this type of economy¹⁹.

¹⁷ Statement by the Tunisian minister of agriculture on social and solidarity economy in 2017:

<http://www.agriculture.tn/>

¹⁸ The third paragraph of the preamble talks about “building a republican, democratic and participatory system” while Article 12 of Title One states that “The state shall seek to achieve social justice, sustainable development and balance between regions based on development indicators and the principle of positive discrimination.”

¹⁹ Lotfi Eissa Lotfi Bin Eissa. “The Role of Social and Solidarity Economy in an Alternative Economy: The Legislative Initiative by the Tunisian General Labor Union [Arabic].” March, 2007.

This draft law identified the funding mechanisms of social and solidarity economy as follows:

- When the social and solidarity economy organization makes profit, 15% is allocated as mandatory savings until they reach 50% of the organization's capital while 1% is allocated to social, cultural, and environmental activities. The surplus can be distributed with a maximum of 35%.
- A cooperative bank is to be established and social and solidarity economy organizations are to be the main shareholders.
- Social and solidarity economy organizations will offer special financial and tax privileges and exemptions.
- A percentage of the community work is allocated to social and solidarity organizations while respecting the principles of competition and equal opportunities in accordance with laws and legislations.
- Banks are to open special funding branches for local and solidarity economy organizations.
- The Deposits and Consignments Fund supports social and solidarity economy organizations financially and secures their economic sustainability²⁰.

Despite the fact that this draft is

²⁰ Ibid.

considered a step forward, it still did not contain procedures for positive discrimination in favor of women.

3-Women empowerment:

Women are the first victims of market economy and their empowerment is part and parcel of any quest for an alternative economy that seeks equality and social justice. The empowerment of women will also not be possible without a democratic social-based political framework that guarantees the participation of women in the public as stated by the Tunisian constitution²¹ and protects them from poverty, marginalization, and discrimination²². Women suffered on different fronts, which was especially demonstrated in the phenomenon called the "feminization of poverty." This is aggravated by lack of laws that

²¹ According to Article 46 of Title Two: Rights and Freedoms, "The state commits to protect women's accrued rights and work to strengthen and develop those rights. The state guarantees the equality of opportunities between women and men to have access to all levels of responsibility in all domains. The state works to attain parity between women and men in elected Assemblies. The state shall take all necessary measures in order to eradicate violence against women."

²² Mongia Hedfi.

guarantee gender equality in social, economic, and political rights, especially as far as decision-making is concerned²³.

That is why the empowerment of women in social and solidarity economy is one of the main channels through which poverty can be fought. This is largely related to the legislative, organizational, and institutional levels in which the state can play a major role.

Several local initiatives led by women to address issues pertaining to the establishment of an alternative model that can allow women to enjoy their full economic, social, and political rights. The question was raised whether such initiatives prove the failure of market economy and will in fact offer a fair development model or whether the status quo will remain in all cases. Another question is how far resisting gender inequality will contribute to offering an alternatives to liberal globalization²⁴.

Social economy offers a fair alternative for women. In fact, several women movements argues that the feminist perspective of a social and solidarity economy is the only one capable of overcoming the violations

committed by market economy and the exploitation of the marginalization under its policies since such policies are closely linked to a conservative patriarchal system that masculinizes work and productivity while restricting women to the re-production and maintenance of the labor force through the following:

- Pregnancy and giving birth
- The upbringing of children
- Tending to labor force (male workers)
- Performing household chores

Work performed by women is seen an unproductive since it does not contribute to the General National Product (GNP). Such work is also seen as the natural duty of women, therefore laws and legislations still lack proper articles that offer the necessary protection for women who perform such duties and that also estimate the value of such work²⁵.

The feminist perspective of social and solidarity economy aims at achieving equality between men and women, among women, and among people of different countries. According to feminist movements, women should work on different fronts whether short-term through changing labor laws

²³ Ibid.

²⁴ Isabelle Guérin, ed. *Femmes et économie solidaire*. ERES, 2011.

²⁵ Sama Eweida. "Gender Responsive Budget." International Labor Organization, 2015.

or long-term through changing the economic system which is done by trade unions that attempt to change wage policies towards more equality. In addition, it is necessary to acknowledge the unpaid work performed by women at home and which in itself is determined by the patriarchal system. That is why these movements concluded that an alternative economy is the only way out²⁶.

The impact of the economic crises triggered by market economy is demonstrated in the rising of unemployment rates among young women to reach 48% in 2013²⁷. This percentage is related to the culture of the Arab region in which men are treated preferentially in the job market and in which gender roles are rigid in addition to the absence of laws and legislations that protect women's right to work or the rights of working women. For example, several Arab countries did not ratify the Maternity Protection Convention (C 183). There are also almost no laws that protect women who are subjected to sexual harassment in the work space²⁸.

²⁶ Isabelle Guérin

²⁷ "Global Employment Trends." International Labor Organization, 2014. P. 71.

²⁸ Mongia Hedfi.

The growth of the informal sector also had a negative impact on women in particular. According to the Arab Labor Organization, in 2012 the percentage of women working in the informal sector reached 31% in Tunisia, 56% in Morocco, 25% in Algeria, and 43% in Egypt²⁹. Women also constitute 60% of the labor force in the agriculture sector in rural areas across the Arab region³⁰. Social and solidarity economy pays special attention to agriculture in an attempt to curb the negative repercussions of informal labor.

a) Women's involvement in social and solidarity economy:

Several factors drove women to be involved in social and solidarity economy. These can be summarized as follows:

- Tackling the problems triggered by the growth of the informal sector which is joined large numbers of women
- Social problems resulting from neoliberal policies and the structural reform programs and which support the patriarchal system, the main source of

²⁹ Nemat Kuku. "Women's Economic Participation under Neoliberal Policies [Arabic]." *Tiba Magazine*, 2016, <https://goo.gl/ja256T>

³⁰ Third Arabic report on Labor and unemployment, Arab Labor Organization, 2012, <https://goo.gl/hT7DR4>

repression for women

- The ability of social and solidarity economy to offer regular sources of income as opposed to the instability of the informal sector

- Women's ability to utilize their expertise in different fields to become active players in the development process

- Social and solidarity economy guarantees gender equality in the labor market and prepares them for becoming part of the decision-making process.

b) Independence and economic security:

As part of the campaign against poverty and violence against women launched by the World March of Women in Quebec in 2003, women's rights organizations offered a new perspective of women's independence and economic security:

- Economic security involves providing basic needs

- Women's economic independence means that they receive their share of resources as well as public services such as housing, healthcare, and education in addition to equal job opportunities and equal pay³¹.

Women expect social and solidarity economy to eliminate the gap between men and women through offering equal job opportunities as well as fair distribution of wealth and equal access to public services. Working conditions also constitute an integral part of women's willingness to be part of an alternative in addition to acknowledging their expertise and their role in the development process as opposed to their marginalization in the male-oriented capitalist system.

Several initiatives launched by women as part of social and solidarity economy targeted changing laws for equal division of representation with the alternative economy between men and women which became the case with Le Conseil Supérieur de l'Économie Sociale et Solidaire (ESS) or the Supreme Council for Social and Solidarity Economy³².

4-The role of the state:

In addition to highlighting the necessity of finding alternatives to the capitalist system, social and solidarity economy initiatives also shared a belief in the role that needs to be played by the state to

³¹ Danielle Fournier. "Femmes au Cœur de l'économie sociale et solidaire." Forum international de

l'économie sociale et solidaire:

<https://goo.gl/nYmPSP>

³² "Genre et économie sociale et solidaire":

<http://www.adequations.org>

promote such alternative. Below is a number of measures that state can take to facilitate the work of social and solidarity economy:

- Providing the legislative framework through which laws can be drafted to support the existence and growth of organization of social and solidarity economy and their role in contributing to the national economy, which starts with the constitution³³
- Coming up with alternative funding sources that can replace traditional ones used in market economy
- Establishing independent and democratic consultative associations for social and alternative economy as is the case in Brazil where a national association was established to market the products and services of social and solidarity economy in accordance with the principles of justice and solidarity. The fair solidarity trade system, the first in the world to be linked with cooperative economy, was officially authorized by the Brazilian president in 2009³⁴.
- Economic empowerment of women through the marketing of their agricultural products through

social and solidarity economy organizations

- Improving the living conditions of women in rural areas and assisting them in legal issues especially those linked to inheritance
- Supporting emerging initiatives until they start yielding results on the ground and inspiring similar ones, as was the case with the Djemna oasis in southern Tunisia³⁵
- Facilitating the work of cooperative and guaranteeing their autonomy and self- management as is the case in Morocco
- Providing a legal framework that protects women and guarantees their access to funding, especially in rural areas

³³ Mongia Hedfi.

³⁴ Essam al-Din al-Rajehi, "On Social Economy [Arabic]." *Sasa Post*, October 2016: <https://goo.gl/BjsJ65>

³⁵ Ibid.