

2010 National Summit on a People-Centred Economy

Issue Paper #5: Strengthening the Movement for a People-Centred Economy

*By Rupert Downing, Canadian Social Economy Hub
Revised Draft – May 21, 2010*

Background

From May 30 to June 1, 2010, the National Summit on a People-Centred Economy is an unprecedented gathering of leaders and representatives of the community economic development, cooperative and social economy sectors to build a common agenda and mobilize action for a secure, sustainable economy that puts people and the planet first. The Summit seeks to mobilize networks and organizations by building on the best research, agreeing on a common action plan, and increasing awareness of this sector among politicians, policy makers, non-governmental sector leaders and the mainstream media.

As part of the preparatory process for the Summit, six issue papers were drafted on themes which outline the key strengths, challenges and proposals for action to further reinforce this movement. These issue papers were subject to an engagement and outreach process for feedback and revisions by Summit participants and other stakeholders between March 1 and May 15. The revised papers are being presented at the Summit, where a common declaration and action plan will be developed.

To view the latest versions of the other papers and for more information on the Summit, visit: <http://www.ccednet-rcdec.ca/en/summit>

Strengthening the Movement for a People-Centred Economy: Summary

Canada's economy is pluralistic, made up of three distinct sectors: private; state; and the social economy. Actors in the social economy (cooperatives, non profit societies, civil society associations, credit unions and social enterprises) make up a substantial proportion of employment and economic activity and play a unique role in creating inter-related social, economic, and environmental outcomes that contribute to a people-centred economy.¹ Results from the Social Economy Research Program² indicate that globally the social economy plays a unique role in addressing the social, economic, environmental and human development needs of people, communities, nations and the world at a time when the challenges of increased poverty, climate change, social inequality and the failure of many economic policies requires new approaches and models, those that contribute to a people-centred economy. The research also indicates that Canada is falling behind other jurisdictions in developing public policy and other mechanisms to ensure that the social economy maximizes its impacts. New and

¹ http://tamarackcommunity.ca/g3s10_M4C2.html#notes

² <http://www.ccednet-rcdec.ca/files/ccednet/AdvancingtheSocialEconomy.pdf>

innovative mechanisms for collaborative development, governance and co-construction of public policy for the sector have emerged, and have proven key to success in Canada and other jurisdictions. Strengthening and building on these mechanisms is a key agenda, involving the building of sector-owner structures that unite components of the social economy in collaborative efforts based on common values.

Table of Contents

1. Current State of the Field	2
2. The Key Players	5
3. Top Questions or Issues	6
4. Propositions	8

1. Current State of the Field

The Canadian Social Economy Research Program has produced evidence of the comparative state of development of the social economy at the global, national and regional level.³ This research indicates:

1. The importance of the social economy in producing unique outcomes (compared to the private and state sectors) of relevance to socio-economic and environmental challenges facing people, communities, nations and the world.
2. The comparative strength of those outcomes when they involve structures, activities and initiatives that unite sub components of the social economy (e.g. cooperatives, credit unions, non profit societies, social enterprises, civil society associations, subsistence producers).
3. The movement of alternative development models that integrate social, economic, human and environmental objectives promoted by social economy organizations into the mainstream of public policy discourse and development, where united structures and mechanisms have been developed.
4. The importance of intra-sectoral mechanisms for collaboration to growing the social economy and providing democratically governed inputs such as financing and technical assistance to its actors.

Comparative international analysis suggests that in those jurisdictions (e.g. Brazil and the European Union) where there has been an agreement to promote self identity as a united social or solidarity economy movement amongst actors, there has been substantial progress in impacting on the sector's own capacity and the public policy environment affecting it.

³ <http://www.ccednet-rcdec.ca/files/ccednet/AdvancingtheSocialEconomy.pdf>

In Canada, the research⁴ suggests that Quebec and Manitoba stand out as examples of growing and in some ways mainstreaming social economy movements because of the efforts of key actors to unite and create collaborative structures and create provincial government frameworks that support them. In Quebec, le Chantier de l'économie sociale provides an example of a unifying structure with attached resources for financing, social marketing and technical assistance, inclusive of component associations of community economic development and other sub sectors. Financing of the social economy has expanded with the creation of capital funds from private and public investors, managed by the sector (RISQ and Fiducie). In Manitoba, the Canadian CED Network has provided a space for organizing across sectors with a technical assistance program and public policy representation with some similar outcomes, involving a less formal structure than in Quebec. There have also been efforts in other regions of Canada to purposefully organize across the social economy. A summit was held in Nunavut in December 2009 that has started dialogue amongst actors in that Northern Territory. In Atlantic Canada, a policy colloquium was held in Halifax, Nova Scotia that attracted government, social economy and research stakeholders that produced a similar outcome. In British Columbia, a "Social Economy Roundtable" was created that networked stakeholders over a two-year period. In Atlantic Canada, co-operatives developed a joint organizing structure that has strengthened capacity, public policy representation and sources of financing.

At the national level, a federal social economy initiative was developed successfully by the Canadian CED Network, le Chantier de l'économie sociale in Quebec, and the Canadian Cooperative Association. This involved a federal government funding commitment and an advisory committee with a Secretary of State for the Social Economy for co-construction of federal government policies to support the sector. The initiative and structure was cancelled with change of government political leadership in 2007. Nevertheless, funding for joint leadership of a national research program of academic and practitioner representatives was implemented, funded by the Social Science and Humanities Research Council.⁵ In some sub sectors of the social economy there have also been advances in developing federally supported initiatives, most notably the second generation of federal government support to the Cooperative Development Initiative that involves provincial cooperative associations and their national counterparts, the Canadian Cooperative Association and le Conseil Canadien de la Coopération et de la Mutualité, in managing funds for cooperative development.⁶ The Voluntary Sector Initiative of the Federal Government⁷ also contributed to building a platform for dialogue and policy development involving the non-profit sector in Canada and its capacity to build social capital and deliver human and social services. It was discontinued in 2005 but similar initiatives have been developed in several provinces.

At the local and regional level, there are many examples of collaboration in building democratically controlled structures and mechanisms for strengthening outcomes

⁴ http://www.ccednet-rcdec.ca/files/ccednet/Loxley_Simpson.pdf

⁵ <http://www.socialeconomyhub.ca/>

⁶ <http://coop.gc.ca/COOP/display-afficher.do?id=1232543849777&lang=eng>

⁷ <http://www.vsi-isbc.org/eng/index.cfm>

in community economic development and the social economy. The Canadian Centre for Community Renewal and its publication Making Waves⁸ have highlighted many of these. From New Dawn Enterprises in Cape Breton Nova Scotia to Community Economic Development Corporations in Quebec, to Quint Development Corporation in Saskatoon, to Aboriginal Development Corporations in Western Canada, to Community Futures Development Corporations in rural Canada, an infrastructure of local development has been developed adapted to local needs and opportunities.

These advances are the results of hard work by individuals and organizations committed to a common vision and values across a variety of actors in the social economy and they should be celebrated. They are also too often achieved in the face of indifference by governments, and the pressing need amongst practitioners on the ground to achieve real outcomes, for real people in real communities with limited time and resources to devote to movement-building. However the evidence from experience and research suggests that attention to movement building is exactly what is needed. The ten-year history of the Canadian CED Network testifies to the importance of building links and opportunities for collaborative action amongst community-based and institutional organizations in the social economy. The one hundred year plus history of the co-operative movement in Canada suggests the same lesson.

At this time as well, many indicators suggest that Canada is facing socio-economic and environmental challenges of unprecedented proportions.⁹ Socio-economic inequality has been growing, with increases in some regions of child poverty and increased social exclusion of disadvantaged populations such as immigrants, women, people with disabilities and people of colour. Aboriginal, First Nations, Inuit and Métis communities continue to face barriers to their self-determination and the creation of opportunities for their peoples. Economic and industrial changes have left many geographic communities and regions of the country in socio-economic decline. Environmental degradation and climate change, combined with the impacts of peak oil and resource depletion, are impacting on the environmental sustainability of Canada's eco-systems and communities.

The impact of the global economic downturn have magnified many of these issues, and there is little evidence that government measures to respond to the downturn have made or are designed to make an impact on those most affected. There is also concern that deficit reduction efforts by governments in the wake of stimulus spending will add to the reduction of government spending and program support in exactly those areas that are critical to conditions amongst people and communities most affected.

Finally, there is a growing concern amongst citizens, researchers and civil society organizations with the state of democracy in Canada. Voter turn out, indicators of social capital, and citizen faith in governmental and other institutions are at all time lows. Civil society organizations that provided independent sources of knowledge and discourse have been closing amidst funding cuts by government (e.g. Canadian Policy Research

⁸ <http://www.cedworks.com/waves.html>

⁹ <http://www.policyalternatives.ca/projects/growing-gap/>

Network, Canadian Learning Council). Civil society as a force for change is being reduced to its lowest point of capacity in its modern history.

These challenges place an imperative on combined efforts by actors in the social economy to provide an alternative vision and means to constructing a more people-centred economy. While the economy is posited by mainstream media and institutions as the primary force in achieving livelihoods, there is a need to present an alternative societal vision of the economy as a means to a greater and more holistic set of goals that address the needs of people and eco-systems. For this actors in the social economy are uniquely positioned because they alone pursue such a vision. However to do so the current state of fragmentation amongst them needs to be addressed to strengthen that vision and its means of production through stronger collaborative systems, the scaling up of effective financing and governance systems, and co-construction of public policy that supports the movement and its outcomes.

2. The Key Players

In building a more unified movement for a people-centred economy we would suggest the following priorities for engagement at the national and provincial-territorial levels, beyond the existing partners in the Summit.

- National/provincial associations of community non profit organizations and their “peak” organizing institutions (e.g. YWCA Canada, Family Services Canada) and members
- Other associations involved in social economy financing (e.g. Canadian Community Investment Network Coop, Credit Union Central Canada)
- Other associations of cooperatives (e.g. Workers Coop Federation)
- Environmental organizations (e.g. Canadian Environmental Network, Eco-Trust Canada, renewable energy associations)
- Labour movement
- Poverty action organizations (e.g. End Poverty Now)
- Women’s organizations
- Self advocacy organizations
- Community Futures Development Corporations
- Rural development associations
- Fair Trade Towns Movement
- Transition Towns Movement
- Food security and sustainable agriculture movements
- Corporate social responsibility organizations
- Women’s organizations
- Immigrant and refugee organizations
- Inuit, Métis, Aboriginal and First Nations associations and development organizations
- Youth organizations
- Fair trade organizations

- International development NGOs
- Canadian pro-democracy movements
- Charities organizations (e.g. Imagine Canada)
- Grass roots movements involving self – representation (i.e. not intermediaries)
- United Ways
- Service Clubs
- Philanthropic and Community Foundations
- Social Planning Councils
- Health promotion associations
- Affordable and cooperative housing associations
- Employment training organizations and their associations
- Research institutions that include civil society representation
- Land trust organizations
- Faith based organizations

3. Top Questions or Issues

Building a more united and effective movement for a more people-centred economy involves addressing the following key issues.

Citizen Engagement and Support

Public opinion surveys indicate a high level of trust in charitable and community non-profit organizations in Canada,¹⁰ much higher than governmental and private sector institutions. Fair trade and “buy local” purchasing campaigns also show signs of success in consumer support for the values of social economy organizations in the market place. In Quebec the “valeurs ajoutées” campaign was used to promote social economy goods and services across a broad range of producers. However in most parts of Canada there is no unified effort to promote the social economy and its outcomes to citizens. In the face of government, media and commercial promotion, this leaves the movement without the recognition, support and understanding of general citizens, a prerequisite for public support for a new model of sustainable social and economic development. There is also an issue of how people involved in the social economy at the grass roots have a voice and participate, as “owners” of their own futures.

Fragmentation

Non-profit community-based societies, charities, civil society associations, cooperatives, credit unions, social enterprises and other actors in the social economy have common values and objectives. But there are very few structures in Canada that seek to unite them. They are as a result fragmented in their organization and impact. Efforts to scale up and grow the social economy are hindered by the lack of spaces and structures for cooperation. There are also gaps in movement building with sectors of society that have

¹⁰ <http://www.muttart.org/surveys>

common interests in building a more-people centred economy, for example, the labour movement and women's organizations.

Knowledge Gaps

Research and evaluation of social economy activities to inform practice and policy are sporadic and under-resourced. Given the significance of the social economy to key conditions of people and communities the lack of longitudinal research resources to discover what works, why and how it can be improved is a major obstacle. There is also a need for enhanced opportunities for education, networking and peer learning in informal and formal settings for current and future practitioners.

Economic Inefficiencies

Internal trade within the sector (i.e. between organizations in the social economy) is limited. Yet the sector has identified procurement of their goods and services by government and other purchasers as key to growing the sector's economic potential (see Summit Issue Paper #4 on Organizing the Social Economy Marketplace). There also needs to be attention to the issue of purchasing goods and services and scaling up opportunities for that within the sector.

Policy and Other Stakeholder Influence

Influencing, or co-constructing, public policy that affects social economy organizations and their outcomes has been a major priority for many networks across and within the social economy. The more united these efforts are across sub components the more impact there has been. Ongoing means and structures are needed at the provincial – territorial and national and regional levels, with mechanisms for genuine and ongoing engagement at all levels of government and with other key stakeholders.

Finance and Development Capacity

There has been an evolution of development capacity within social economy organizations and their infrastructure has developed to provide technical assistance, financing and other inputs necessary to scaling up their work (see separate paper on financing the social economy). Where this has been done in a purposeful and democratic way (i.e. owned, controlled and co-designed by the organizations themselves) strong outcomes have been achieved. Where they are fragmented and dependent on external expertise or sources of funding, the outcomes have been more dissipated. There is a need to learn from successful development models and adapt them to other settings where they do not exist. There is also a need to concert development capacity at the provincial and national level across sub components of the social economy to pool expertise and resources.

Common Identity

Jurisdictions that have seen the most significant growth in the social economy and outcomes for a more people-centred economy have involved purposeful development of common identity amongst their organizations and sub sectors (e.g. Brazil and Quebec). In Canada many actors in the social economy do not have a concept of themselves being a

part of a larger movement or socio-economic force. Participatory mapping, engagement and communications activities building on the Social Economy Research Grant Program could be developed to strengthen common identity as part of a movement for social, economic and environmental change.

4. Propositions

1. Create a **national roundtable on building a people-centred economy** inclusive of practitioner, research, labour movement and civil society interests committed to the declaration coming out of the Summit. This roundtable could use social media and web based resources to engage its member networks and groups. It would serve as a democratic planning and collaborative decision-making body for activities aimed at unifying the movement and organizing initiatives suggested below, without taking away from the jurisdictional responsibilities of member organizations. The roundtable secretariat could be hosted on a rotational basis by national associations that commit to it. It could support the creation of similar roundtables or networks across sub sectors of the social economy in provinces and territories where they do not currently exist. A key purpose would be to leverage existing provincial policy frameworks that are working with other jurisdictions.
2. Plan and implement a **national communications plan** to promote citizen support for social economy organizations and their products and services across Canada, inclusive of tools that local organizations can use to promote themselves as part of a larger movement for a fair, sustainable and people-centred economy, incorporating common messages and media advertising. This could build on and involve existing campaigns such as Transition Towns, Fair Trade Towns and involve a common national week of activities to promote support at local, regional and provincial levels.
3. Create a **space for grassroots participants** in social economy activities (co-operants, service recipients, service providers, activists, students, etc.) to engage and discuss how they see the future for themselves in a people-centred economy and what they want to organize.
4. Build on the Canadian Social Economy Research Partnerships with **research initiatives** by member organizations to address knowledge gaps and needs for practice and policy, coordinated through the proposed Roundtable or a research sub group of it for that purpose. Create a new research partnership program emphasizing movement building, involving participatory demonstration projects and mapping of the outcomes of the social economy.
5. Create an **ongoing government outreach strategy, and table**, to promote co-construction of public policy with all levels of government with a particular focus on supporting momentum in provinces and territories that lack a policy framework, but have substantial interests in public policy outcomes of direct

relevance to the social economy (e.g. poverty reduction and sustainable development). Consider developing similar outreach strategies with other key stakeholders (e.g. private, philanthropic, labour movement). Recruit champions for a people-centred economy from all sectors to work with the strategy/table

6. Create an **internal trade mechanism** to maximize the purchasing of goods and services between social economy organizations.
7. Convene a **dialogue with learning institutions** and practitioner organizations interested in building a people-centred economy on how informal and formal learning can be enhanced and better “laddered” to meet succession and skill gaps amongst actors in the social economy. And how curriculum can better reflect economic realities.
8. Use research findings on **effective finance, technical assistance and development models** to promote the development of adapted sector-owned models in other jurisdictions. Animate the development of such models with partners that are interested. Convene a technical panel of expertise from across Canada to deliberate on how to scale up effective models and strategies for inputs (e.g. financing) needed to grow the social economy and implement a strategy to do so, inclusive of pooled resources to be made available to interested partners.

These propositions for action are put forward to contribute to discussion amongst participants in the Summit on a People-Centred Economy in 2010. Naturally, this paper is not a definitive analysis, or a comprehensive review of what is and what could be possible. However, it attempts to contribute to a democratic and participatory dialogue on what is needed to strengthen the movement for a more people-centred economy in Canada. Clearly, “what is” does not suffice. What “can be” offers a major alternative if we work together to create it.