



The Social and Solidarity Economy: From the Margins to the Mainstream

Case study

Solidarity Economy (SE) in the Municipality of Araraquara (SP, Brazil): Considerations about its ecosystem and its recent public policy to support vulnerable groups

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Context and description

At the present time, Brazil is experiencing a profound deterioration of federal public policy in the field of Solidarity Economy – SE. With the discontinuity of actions at the federal level, the subnational policies of SE gain relevance, even though the lack of a national program certainly weakens the subnational capacity to develop its own programs, mainly due to the restriction of budgetary autonomy that they face. In this context, resilience and sensitivity on the part of some subnational governments are fundamental aspects for the strengthening of the SE. In this perspective, the public policy of SE in the municipality of Araraquara (São Paulo, Brazil) is an interesting example (Silva, Morais & Santos, 2020).

According to data from the State Data Analysis System Foundation (Seade), Araraquara, located in the central administrative region of the state of São Paulo, has a population of 238,339 (2020) and Gross Domestic Product (GDP) of R \$ 8.92 billion (2017). Agro-industry is the main anchor of Araraquara's economy, seconded by the clothing, textile and metal and mechanical industry. Additionally, Araraquara is an important center for trade and services for the entire region, including universities and research centers (Morais & Bacic, 2020).

In recent years, the city of Araraquara-SP has suffered the effects of the global crisis on employment and has experienced an increase in poverty and hunger that plagues Brazil today. According to CAGED data (2020), until December, 908 jobs were lost. The reality of the first semester of 2020 showed that more than 15 thousand people were dismissed from their jobs in Araraquara, which even counting the hirings, made for a deficit of 2759 jobs. According to data from the City Registry (2020), there are 2.025 families in the municipality of Araraquara who do not have income and another 2137 with per capita income of up to R \$ 89.00, totaling 4162 families in extreme poverty. In the ranges of per capita income from R\$ 89.01 to R\$ 178, which characterize a situation of poverty, there are 2.206 families and in the range of R\$ 178.01

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to R\$ 550, which characterizes a situation of socioeconomic vulnerability, there are 4.463 families. Faced with this scenario, the SE becomes a strategy for local development, generation of work and income, and rescue of citizenship.

Background

In the beginning of the 2000s, the social economy's partnership and cooperation with the municipal public administration and the university provided inputs for the installation, of an ecosystem of the SE in Araraquara.

From 2001 to 2004, City Hall, gave the impulse, as shown by Paiva and Silva (2020), when a nucleus of "project management in generation of work and income" was created (PAIVA E SILVA, 2020:138). This would be the embryo of the future Executive Coordination of Social and Solidarity Economy (formally created in 2005), linked to the Municipal Economic Development Secretariat. This important step represented the recognition of the SE as an instrument of public policy at the municipal level.

On the university's side, according to Fonseca et al. (2014), the incorporation of the SE as an object of teaching, research and extension occurred in 2004, when a group of students and teachers of the Faculty of Sciences and Languages of State University of São Paulo (UNESP) created the Center for Studies in Solidarity Economy and Citizenship – (NEESC). At the end of 2007, a project call notification in the context of the National Program of Popular Cooperative Incubators – (PRONINC) (federal government program), prompted the creation of an incubator of SE enterprises (INCONESP) on UNESP's campus.

The creation of the incubator represented a milestone for the beginning of institutional cooperation between the university and City Hall, with a view to supporting and boosting the SE in the municipality. As Fonseca and Grigoletto (2012) and Paiva e Silva (2020) recall, this partnership led to the creation of the Municipal Forum of the SE, in addition to the launch of the Charter of Principles of the Araraquara SE, events that took place in 2008. Another important institutional landmark in that period was the approval, in 2009, of the Municipal Law of SE, which came to represent a kind of guarantee that SE actions would be maintained, despite the subsequent government changes.

Parallel to these significant institutional advances, and even because of them, new SE enterprises, both urban and rural, were created and installed in the municipality - the latter mainly in two agrarian reform settlements in Araraquara and neighboring municipalities.

This set of advances came to suffer a certain cooling in the years that followed, starting in 2009 with the change of government in the municipal administration and from the end of 2010 with the discontinuity of the PRONINC project at the University. The previously established institutional bases, however, were preserved - at City Hall, under the new name of Management of Social and Solidarity Economy, at the University, NEESC and INCONESP maintained the activities, although with reduced activities and less student participation. This preservation of the two institutional bases proved to be crucial so that, although activities had cooled down, most of the local SE enterprises created in previous years were kept active. These were signs that, although under less favorable conditions, the local ecosystem had survived, a circumstance that proved to be essential for its future resumption, starting in 2017.

The recovery of the SE ecosystem and the consolidation of the partnership between the University and City Hall

The year 2017 was a milestone for the SE movement in Araraquara. The main objectives were given by the new municipal administration, which took office in January.

The following initiatives and actions should be highlighted as signaling measures:

- a) strengthening and promotion of the Municipal Coordination of SE, including their transformation into **Coordenadoria Executiva de Trabalho, Economia Criativa e Solidária** (Executive Coordination of Work, Creative and Solidarity Economy);
- b) holding of the **1st Municipal Conference on Creative and Solidarity Economy of Araraquara** / state of São Paulo, with the theme “Local Economic Development with Decent Work: Income Generation and Social Inclusion”, organized collectively by the government and civil society, where proposals that supported the elaboration of the 2018-2021 Multiannual Plan and the Municipal Plan for Solidarity Economy were debated and deliberated;
- c) as a result of the Conference, the **Municipal System of Creative and Solidarity Economy** was created; and
- d) approximately R\$ 986 thousand were included in the municipality's 2018 Annual Budget Law, intended for investments and current expenses applicable to the Creative and Solidarity Economy.
- e) the Mapping of Araraquara SE Enterprises, carried out in 2019 by NEPESC (Nucleus of Extension and Research in Solidarity, Creative and Citizenship Economics of the Faculty of Sciences and Letters of UNESP - campus of Araraquara) in partnership with City Hall and partially updated in 2020 by CETECS, identified 22 SSEs supported by the municipal government. Of the 22 EES registered, 8 are cooperatives, 7 associations and 7 groups not yet formalized. Most EES operate in urban areas, totaling 64%, while 36% are in rural areas. The direct beneficiaries add up to 480 people. The areas of activity are diverse - recycling, composting, family farming, food, handicrafts, civil construction, multiservices and clothing - showing how dynamic the solidary economy is.

With the beginning of the Covid-19 pandemic in the municipality of Araraquara in mid-March 2020, City Hall and the University jointly developed two projects: one for making fabric masks manufactured by groups of seamstresses and artisans in the SE - for free distribution to the population served by the Solidarity Network (created in March 2020 to provide assistance to the socially vulnerable population) and to UNESP employees and professors; and a participatory diagnosis project for the development of a SE project in a high-risk and socially vulnerable community in Araraquara - Residencial dos Oitis.

Despite the necessary restrictions and adjustments due to the pandemic, 2020 was a year of construction and partnerships. IPECS - Public Incubator of Creative and Solidary Economy was created through Decree nº 12.33 of 11 August 2020. IPECS aims to be a planned and protected environment that serves to foster, develop and support the solidarity economic enterprises in Araraquara. IPECS work is divided into three phases: PHASE 1 - Pre-incubation; PHASE 2 - Incubation and PHASE 3 - Post-Incubation.

Impact and unexpected implications

SE is an important instrument for implementing the SDGs in the territory and, consequently, to improve the living conditions of the population, in particular the most disadvantaged (Fonseca, Morais & Chiariello, 2020; Morais & Bacic, 2020; Sanches & Morais, 2020).

With the re-election of the head of the municipal executive and the continuation of the Covid-19 pandemic, the municipal administration continues to advocate for its programs and actions of social assistance, food security, agriculture and agro ecology, and local development and income generation in a plan to fight hunger. The SE agenda has been highlighted as a strategic action plan to generate income, as one of the axes in the fight against hunger.

CETECS restructured the Municipal Council for Labor and Creative and Solidary Economy and created the Municipal Fund for Labor and Creative and Solidary Economy through Law No. 10.160 /2021 and the Coopera Araraquara Program through Law No. 10.161/ 2021, which aim at establishing and implementing institutional mechanisms and strategic actions to encourage and support the creation, development, consolidation, sustainability and expansion of SE enterprises, organized in cooperatives or under other associative forms compatible with the criteria set by Law No. 7.145/ 2009, which instituted the Municipal Labor Policy and SE.

Lessons learnt:

The lessons that cooperation and solidarity bring us in times of pandemic reinforce our belief that inclusiveness is possible, but also that it needs to be built. It is necessary for the State to be a driver of redistributive public policies and to promote sustainable territorial development and new socio-productive practices, promoting the process of self-organization of workers.

City Hall of Araraquara and UNESP - Araraquara together develop a Project called Araraquara 2050 aligned with the SDGs and which has one of its axes the SE.

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This paper was prepared by Leandro Pereira Morais, Camila Capacle, and Sérgio Azevedo Fonseca in the framework of OECD Global Action “Promoting Social & Solidarity Ecosystems”.

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This project is funded
by the European Union

