



# Social and Solidarity Economy

ENGAGING, LEARNING, SUCCEEDING TOGETHER

## COOPERATIVE APPROACHES #8

“The only path offering humanity hope for a better future is one of cooperation and partnership“. Kofi Annan

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**Cover photo:** Oromo women in the village of Koka, Ethiopia engage in accounting and bookkeeping activities for their cooperative savings and loan micro-credit program. Micro-credit initiatives alleviate poverty by helping women become or remain active participants in the economy. SIDI (page 21) supports microfinancing institutions like this in Ethiopia.

Cooperative Approaches, a quarterly journal (4 issues per year) has set itself the mission of promoting cooperative approaches in five key areas: youth and adult education, social action, organizational management, economics and citizen participation.

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 EDITORIAL

# Towards a new social reality

Larry CHILDS

*Larry is an educational trainer and consultant applying immersive, experiential approaches to team and organizational development challenges. Authentic and relational Larry heightens awareness and connection while addressing themes of team effectiveness, emotional intelligence, culture and conflict. He is also a writer and social entrepreneur having launched and advanced initiatives within hundreds of schools and organizations. His clients, local and national in scale, span the US and 5 continents.*

**A**t the January 20<sup>th</sup> US presidential inauguration, Rev. Dr. William J. Barber, co-chair of the Poor People's Campaign, started his prayer for the country and wider world with these words:

*“God, grant us wisdom and grant us courage until thoughts of destroying one another give way to deeds of embracing each other; until our policies prove our promise of equal justice under law; until we decide too many have been hurting too long.*

*Grant us courage until in every way we show in our democratic process that everybody has a right to live; until we lift from the bottom so that everybody rises; until the stones that the builder rejected become the chief cornerstone of a new social reality...”*

This 8th issue of Cooperative Approaches in English focuses on the *social and solidarity economy*. It also draws inspiration

from Barber's notion of a future grounded in social justice where those who had once been 'rejected' are not only extended respect, but regarded as essential 'cornerstones' - architects for building a healthier 'new social reality'.

For insight and examples of how this construction is already underway and may indeed help shape the future, we have gathered a diverse array of research, interviews and stories. To start your reading begin with the framing editorial by Biorn Maybury-Lewis as he dissects the COVID crisis for evidence that an evolving, humanizing capitalism is essential to a sustainable future for humanity. Next, an interview with Laurence Kwark of the Global Social and Economic forum defines terms for this edition's theme while describing how diverse actors, from nation states and municipalities to businesses,

NGO's and individuals can govern while collaborating effectively across many sectors. Then Dominique Lesaffre from SIDI dives into the mechanics and very heart of transnational solidarity financing. The SIDI vision is that of a people-to-people north/south economy whereby investment and returns are measured by far more than money.

In the next section these models and lessons in reframing of economic systems are grounded by stories of direct action. We take a look at some highly innovative institutions which, though diverse and spread across continents, share a common commitment to financing solidarity as well as strategies to assemble and align multiple actors. The outcome in each case is a dramatic rise in the efficacy of their respective missions with steps towards structural systemic change that also shifts in public perception. Included are stories about the Massachusetts Immigrant Collaborative, Café Perú, Community Finance Guatemala and the community services sector in England.

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## NEW WORLD VISION

# Can we tame human greed?

Biorn Maybury-Lewis

*Dr. Biorn Maybury-Lewis has served, since 2011, as executive director of the Cambridge Institute for Brazilian Studies (CIBS) where he dedicates himself to Brazilian studies. He publishes on rural social movements, human rights, and indigenous affairs. Previously he worked as executive director of Harvard University's David Rockefeller Center for Latin American Studies, taking a lead role in establishing Harvard's academic presence in São Paulo, Brazil. He has consulted to the World Scout Organization, and to other NGOs working in Sub-Saharan Africa. He continues his writing on development issues, dividing his time between Boston and Miami.*

**T**he catastrophic COVID-19 pandemic has forced the world to focus on long festering problems related to economic development. Indeed, the pandemic itself - as well as the next pandemics that epidemiologists warn us are likely to occur - are directly related to our pattern of unrestrained "development." The hinterlands that, until now, have remained "beyond the reach" of bulldozers, roads, and economic networks now have become integrated into the logic of global profit-making. Captured bats from remote caves, apparently, brought on the pandemic in Wuhan, China's "wet market." As more "caves on the periphery" are disturbed, more as-yet-unknown illnesses will "leap" the species divide.

We are in the "Anthropocene:" an era in which man's desire to dominate other men, the Earth, and all flora and fauna predominates. We are in the midst of a resulting cataclysmic extinction of creatures on *all* of the continents and in *all* of the oceans and seas. This life-changing pattern is the direct result of relentless "developmentalism" with only limited regard for its broader consequences.

We know that the most important approach to material production ever invented in world history remains capitalism, which has proven capable of producing more goods for more people, and with greater speed and efficiency, than any other economic system. Furthermore, the nurturing of technological transformations, necessary to

make this happen, has been the indispensable twin of world capitalist development. Now, virtually all countries, even self-styled “communist” countries, embrace capitalism’s power. The result—the “Modern world,” replete with its goods, services, and technologies, including advances in medicine and rising human life expectancy.

Yet capitalism’s darker side, especially in its monopolistic and oligopolistic forms, now surrounds us too, incorporating the world’s land, water, forests, animals, biomes, and less fortunate human beings into the world economy. Climatologists warn us that its direct consequences are global warming, spreading wildfires, the decline of rainforests, widespread pollution, and severe weather patterns - trends that may prove irreversible.

The problem then remains: how might we harness the productive capacity and technological advances of capitalism before it annihilates us and the planet?

The Cooperative Approaches journal provides a forum for thinking creatively about how we might improve our production system in the post-pandemic world. As we rebuild our shattered economies, we have a rare opportunity to rethink how we produce. The overriding challenge is how to fundamentally change the “growth at all costs” paradigm within a natural order that will increasingly limit our

ability to grow. Climate change *will* slow us, probably catastrophically, if we do not change—so change we must.

Yet can we change, when “economic health,” according to all mainstream economists, is measured in growth? We are taught: the more growth, the better. Furthermore, “the harnessing of human greed” has proven a highly dynamic approach to spur greater production. Can we tame human greed? The stark truth is that we *must* because Nature remains implacable and finite.

A reorientation of the world’s approach to its dominant production system is a daunting project since no single individual or local group of people can possibly change the ways of *all* mankind. But we can make the decision to each contribute our part, join in, and work together to create a more equitable and sustainable world for ourselves and future generations.

This edition of *The Cooperative Approaches Journal* offers initial efforts to rethink our approach to economic development that would avoid degenerating, again, into “developmentalism.” We make a modest collective proposal, in our journal, to explore *solidarity financing* and the *social economy* as an alternative to “developmentalism, at all costs.” Can we provide for ourselves and our planet without destroying both?

## MEETING WITH . . .

## Laurence KWARK, Secretary General of the GSEF

**P**rior to joining the GSEF, Laurence Kwark was the UN representative for Pax Romana ICMICA in Geneva which she also served as Secretary General for 5 years. Throughout her 30-year career, she has been committed to the promotion of human rights and social development in many developing countries, mainly in Asia and South America. Laurence is French and fluent in Korean, French, English and Spanish.

### Hello, Mrs Kwark, can you tell us about the GSEF and its mission?

The World Social Economy Forum (GSEF) is an international association of local governments and civil society networks committed to the promotion of the Social Solidarity Economy (SSE) as a means of achieving inclusive and sustainable local development. The GSEF promotes various forms of SSE, including social enterprises, cooperatives, foundations, mutual societies (member owned and democratically managed organizations), and self-help groups that put the individual before profits. It works towards social and environmental goals. The GSEF believes that systemic change begins at the local level and therefore prioritizes the establishment of partnerships between social and solidarity economy actors and local and regional authorities. These are multiple partnerships between civil society and the public and private sectors. This is



why the GSEF is co-chaired by a local government official along with a representative of civil societies' social and solidarity economy networks. Currently, the GSEF is co-chaired by the Seoul municipality and the network of all social and solidarity economy organizations in Seoul.

As of 4 December 2020, the GSEF has 797,500 members from 37 countries on five continents, including 27 local governments and 52 social and solidarity economy networks and organizations.

### **What are the primary activities of the GSEF?**

The main activity of the GSEF is the organization of bi-annual international forums in collaboration with its member cities across the continents. The first forum took place in Seoul in November 2013 with the theme: "New Discovery of Collaboration". Subsequent themes have included "Solidarity for Change", "Local governments and social economy actors - Allies for intelligent and sustainable development of cities", "Social economy and cities - Values and competitiveness for inclusive and sustainable local development". We are currently preparing the fifth forum for Latin America, which will take place in Mexico City in October 2021. The theme will be: "The Social and Solidarity Economy for Sustainable, Inclusive and Well-being Friendly Development". The GSEF forums are important platforms for learning through the exchange of best practices and for local governments to exchange good public policies that promote and develop the social solidarity economy.



### **Do you also have a mission to support national social and solidarity economy networks?**

Yes, between two forums, we support the activities of our members, i.e. the local governments and SSE organizations that are part of our network, not in the form of financial grants, but rather in the form of capacity building such as how to develop public policies to support SSE and how to develop an ecosystem that is conducive to the development of SSE. This is not just to support a few companies that are the best in the sector, but to create the conditions and the environment conducive to the development of all actors. Indeed, they have different needs and it is important to set up different systems to meet them. For example, some actors, such as social enterprises, will need support for administrative management and legal knowledge; others might expect support for access to private and public markets, while still others need support and capacity building around entrepreneurial management, human resource management or access to finance for their investments.



**Do you also work with universities or research centers to advance development and capitalizing on SSE knowledge?**

We work from time to time with research centers or researchers from universities especially to leverage best practices and experiences. We believe that, much more than academic research, there is a real need for capitalization of real on-the-ground practices implemented by SSE actors including political representatives of local and national governments. Action research is our preferred approach so as to really enable not only SSE actors but also researchers and citizens to better understand what SSE is and what it produces in terms of economic, social and political changes in our society and how we can all be allies of this SSE.

**We are planning and organizing a whole series of events and meetings in this field, for example:**

The GSEF's regional policy dialogues, which we first organized in Asia and then expanded to other continents such as Europe, Africa and Latin America. They play a key role in promoting knowledge exchange between policy makers and practitioners, and in identifying best practices for co-constructing public policies and establishing ecosystems conducive to the development of the social solidarity economy (SSE) and social innovation.

Furthermore, in preparation for the GSEF 2021 Mexico City forum and in collaboration with the local organizing committee, GSEF conducted a series of



webinars on SSE and the COVID crisis between May and September 2020. We also co-organized with the Mexican Local Organizing Committee (LOC), the GSEF 2020 Global Virtual Forum that took place from 19-23 October 2020 on the central theme "Great Challenges, Greater Solidarity: Community Power and SSE as a Path of Transformation".

### **How are you funded? Where do you get the resources for your operations?**

At present, resources, for example for the operation of the international secretariat, come mainly from the Seoul Metropolitan Government which is currently co-chairing the network. Part of our resources also come from the payment of our members' subscriptions, but this represents just 10% of our budget. Our biannual international forum is hosted in turn on different continents under direction of cities that are part of our network. It is the responsibility of the organizing city to mobilize the

resources needed for the event. Normally, the budget is around 10 million dollars, but each city, depending on its conditions and environment, applies for a share of the national government subsidy while also mobilizing resources from social funding structures or the social and solidarity economy. Of course, participants also pay a registration fee. This allows us to invite speakers and actors from the social and solidarity economy who present their initiatives.

### **In which region of the world do you currently see development of the social and solidarity economy as most important?**

At the moment, it is very difficult to answer this question because reliable statistics on the social and solidarity economy do not exist in all countries. It is therefore also very difficult to compare the realities on different continents. Nevertheless, I think that in the 2000-80s many countries in

Latin America did a huge amount of work to establish a legal framework and public policies and mechanisms to support SSE. For example, there are more than 100200 legal and policy frameworks that have been adapted or developed by different Latin American states. For several years, due to the right-wing political regimes in some countries, many of these legal frameworks have not been implemented and have even been truncated or cancelled.

The European Commission has also strongly supported the promotion of SSE since the 1980s. Since the financial crisis between 2007 and 2009, the European Union placed the social and solidarity economy at the heart of its concerns. This sector has received specific support from European institutions in the framework of the Social Entrepreneurship Initiative, launched in 2011, which aims to improve the situation on the ground of social enterprises, based on 3 main criteria:

- improving access to finance
- strengthening the visibility of social enterprises
- optimizing the legal environment

In developed countries, young people are interested in the search for more democratic values and economic models that promote ecological transition. Many young people in search of employment

also see SSE as a way to meet their needs through more respected and meaningful work.

The motivations are different, which is why I think it is very important to work on networking among young people who are engaged in SSE without having had the opportunity as yet to discover its complexity and richness. By promoting meetings of young people from different countries we enable them to learn very quickly from each other's experiences while cultivating their motivation and capacities to become drivers of SSE innovation.

### **How do you feel about the tension that may exist between making a more just and inclusive society and that of making a sustainable ecological transition?**

We believe that the transitions towards sustainability and towards greater social justice are closely intertwined.

SSE is an economy rooted in the local. It favors short production and consumption circuits for a better use of natural resources while protecting the environment. It facilitates a better use of human resources and a more equitable sharing of benefits between different actors in society.

For example, in Korea we have several federations of consumer cooperatives that have formed alliances with producer cooperatives, especially producers in the

field of organic food. This is not a movement of entrepreneurs, but rather a movement of citizens who really care about food security for their families by affirming the need to improve the quality of food products. Naturally, these consumer cooperatives concerned about food security have become promoters of the ecological transition and thus allies of the producers; peasants who for decades have been trying to develop organic agriculture but have had great difficulty finding markets to sell them. This alliance between citizens in consumer cooperatives and citizens in organic producers' cooperatives is being extended to local communities to invest in production or service centers in regions where there is a decline in activity or a decline in job creation that is pushing young people to leave the countryside. These alliances naturally operate in favor of more sustainable local development. For instance they have set up production centers in very disadvantaged rural areas, not to save production costs but to aim for the highest level of respect for the natural environment and the provision of social services that benefit workers. These production centers - I visited several of them - are no longer organized on the model of traditional factories, but are perfectly integrated into the natural environment, which they respect due to very transparent methods of production. All users can control how products are

prepared and produced, hygiene conditions to follow how workers are treated, and which mechanisms to establish for cooperation and participation. In short, it is an entirely different concept that attends to both social and ecological needs. I believe that SSE thus promotes a new alternative model of development. It acts to reduce poverty, while fully integrating the ecological transition in its response to social and economic needs.

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## A COLLECTIVE ADVENTURE

# ARDES in Normandy

**J**ean-Baptiste Cazin is a development officer at ARDES. He presents his organisation and the vision that drives it.



### Jean-Baptiste, what is ARDES?

ARDES - Association Régionale pour le Développement de l'Économie Solidaire (Regional Association for the Development of the Solidarity Economy) is an association that acts for the promotion and development of the solidarity economy in Normandy, France. It was created in 1994 by a group of citizens who wanted to support citizen and solidarity initiatives in their territories.



### Can you tell us about ARDES' missions?

ARDES has three main missions: raising awareness and training in the solidarity-based economy, supporting collective solidarity-based economy projects and leading the network of solidarity-based economy players in the regions.

The term solidarity economy is often associated with the term social economy

### What is the difference between these two terms?

The social economy was created in the last century and is situated between the public sector (administrations and public enterprises) and the private sector. It comprises companies and organizations created and run by private individuals, with a collaborative mode of operation its focus is on social utility not just profit. The social economy is defined above all by the legal status of its actors: cooperatives, mutual societies and associations. It can be said that the social economy has gradually



Jean-Baptiste CAZIN in a shared garden near Caen

become largely institutionalized, it has entered the existing mold of society.

The concept of solidarity economy is much more recent. It has been claimed by the "alterglobalist" movement that has been meeting since 2001 around the World Social Forum. The search for "another globalization" goes hand in hand with that of an "other economy" serving the collective interest and social utility rather than strong focus on individual interest.

Much more explicit than the social economy, the solidarity-based economy wishes for a transformation of society. It

strives to promote initiatives aimed at mobilizing citizens for more equitable ways of operating from a social and environmental point of view. Its objectives are expressed in terms of new forms of solidarity including solidarity towards future generations. Hence the concern for the environmental dimension, solidarity towards the most deprived, solidarity between people of different ages and sexes, and North-South solidarity. These multiple solidarities give rise to practices in very different fields: production and employment, consumption, finance, fair trade, local development, human services, the cultural sector, etc. As a result, the

contours of the solidarity economy are rather vague.

The solidarity economy often blames social economy organizations for simply repairing the damage of the capitalist system. For their part, social economy organizations, especially the mutual and large cooperative sectors that are well established in the market economy, tend to view the small, militant and utopian world of the solidarity economy with a touch of condescension. The two camps have long looked at each other with a certain mistrust. Today, there is a trend towards rapprochement. There is talk of a social and solidarity economy. In Normandy, a Regional Chamber of Social and Solidarity Economy (CRESS) has been created, to which ARDES adheres. However, the debate between the social economy and the solidarity economy still exists. In the South of France, there are even structures similar to ARDES which claim to be "alternative" and solidarity-based economy to clearly mark their differences.

### **How do you see the economic dimension of the solidarity economy?**

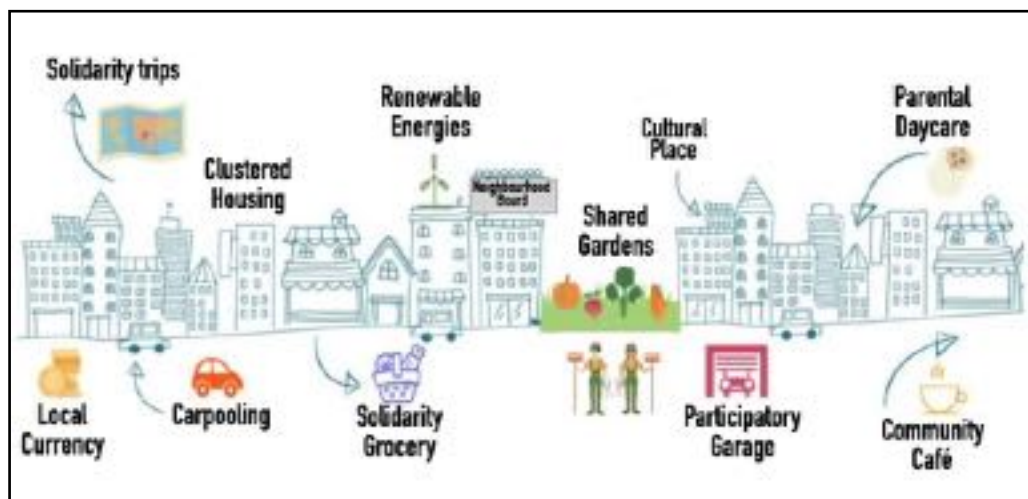
Our reference in this field is Jean-Louis Laville. It is based on the plurality of economic behaviors highlighted by Karl Polanyi: the economy is not limited to the market, because the market is completed and corrected by public (taxes and social contributions) and private (philanthropic)

redistribution, by reciprocity (based on the acceptance of interdependent links) and by domestic sharing (based on belonging to the same family). The solidarity economy is therefore the set of activities contributing to the democratization of the economy through citizen commitments by mobilizing a hybridization of resources: private financing through the market economy, public financing through subsidies and agreements, but also the non-monetary economy through voluntary work and reciprocity of exchanges. In a way, the project of the solidarity economy is to reconcile economy and citizenship.

In the social and solidarity economy, we often talk about "social entrepreneurs", how do you place yourself in relation to the concept of enterprise?

There are obviously two visions: a vision closely linked to the concept of the entrepreneur - social entrepreneurs are people who come from the business world, but who take up the challenge of social and environmental utility. Then there is a vision more related to popular education, which derives from the associative movement, i.e. how citizens come together to meet a need. We can say that there are two types of leadership as another way to describe these differences:

- The social entrepreneur says: *"I have the leadership through ideas and my vision of the world and therefore I will make sure*



Solidarity-based economy

*that the inhabitants who do not yet have their equal share will take it".*

- The popular education type leader says: *"I consider that individuals have the capacity for reflection and action, my role is to bring them together so that the idea of collective initiatives emerge".*

This is why we often use the term "associative enterprise".

### **Is this reflected in the structure and functioning of ARDES?**

Yes, ARDES operates very horizontally. It is run by two teams: the volunteer team - the Board of Directors comprised of 9 co-presidents and the salaried team made up of three people: Fanny Mollet and myself, responsible for supporting project leaders and Julie Courtet, responsible for communication, awareness-raising and organization of events. As employees, we

have a great deal of autonomy and we work in a cooperative manner. We don't have a director, we take the time for exchange and discussion to operate in a cooperative manner. All questions concerning issues, strategy, political choices and relations with partners are referred to the Board of Directors, which acts as a kind of safeguard.

### **Who are your members?**

We offer three types of membership:

- The "Citizens" membership, which is aimed at individuals;
- The "Structures" membership, which is aimed at organizations;
- And the "Collectivities" membership, which is aimed at local authorities.

Through their membership, these various types of members can show that they

belong to the solidarity economy movement in the region, take part in collective actions (exchanges, meetings, training, etc.), work in networks in a cooperative and mutual approach, and increase their visibility by accessing the information tools and events organized by ARDES. They also benefit from joint representation with the public authorities and take part in decisions concerning the association's directions.

However, we do not have a systematic policy of promoting membership. Rather there is an informal cooperation network whereby people and entities simply recognize themselves as members of this network. Increasingly, meetings of social and solidarity initiative are organized and in the process participants recognize themselves as members of the same network. This is very difficult because these initiatives are very different: a shared garden, a cooperative bakery, an association dealing with the support to people experiencing mental disabilities, a neighborhood authority... In fact, what unites them is what they have in common - a vision of the world and cooperative practices, the role of citizens, , user involvement and addressing social and environmental challenges.

### **Do you function a bit like an incubator for initiatives?**

Yes, in a way... In our work supporting new initiatives, we help project leaders to move from utopian visions to reality. We invest heavily in human adventure to support project management, internal cooperation, cooperation with the territory, co-construction with local authorities, the development of an economic model, the development strategy, the collective identity in relation to the issues at stake. We provide an external view offering support and advice while respecting the autonomy of project leaders. We monitor between 10 and 20 projects per year, and we continue the monitoring over 2 to 4 years. This is done knowing that we are very dependent on institutional support systems and that our funding per project is decreasing from year to year. With diminishing funds we are unfortunately obliged to reduce the time we spend supporting each project.

### **What are your sources of funding?**

When I arrived at ARDES, with funding from the regional government and European Community, we had to up to 12,000 euros per project. This enabled us to visit initiatives frequently, to run meetings and to carry out action research. Today we have an average of 1,750 euros per year per project and we are part of a Regional Council scheme which is designed to promote the individual

organization in a traditional manner. It's called, "Je monte ma boîte", and its administrative as well as technical framework is not at all adapted to support these kind of collective citizen projects.

Our economic model is almost 100% linked to public funding because we operate as service providers for the public authorities, essentially the Regional Council. In addition to project support, we organize training sessions within the framework of vocational training. We also develop experiments within the framework of the "Territory of Zero Unemployment" program and receive financial support for development of shared gardens and urban agriculture.

### **Do you work with solidarity financing organizations?**

Yes a little bit, especially to put them in touch with the project leaders we support. Yet at ARDES, we are not very concerned by this financing because it is mainly a loan and credit tool. We don't need this type of tool. That said we are still very interested in solidarity financing. For example, we have developed a SCIC (Société Coopérative d'Intérêt Collectif) to encourage citizen investment, to deal with the question of the installation of photovoltaic panels and the question of the resale of electricity in connection with a school to develop pedagogical support and in co-construction with local authorities so that

they also feel concerned and encourage cooperation between citizens, the school and local authorities to develop local electricity production areas. Solidarity-based finance is also important to fight against land speculation and to encourage the settlement of farmers.

Today, the Regional Council, like all local authorities, is very interested in solidarity financing in areas such as employee savings schemes, participative financing and what is known as "social joint venture", i.e. an association with a traditional company to support a project, such as corporate sponsorship. We feared that the interest in this type of financing would come from the fact that it could represent an alternative to public funding and thereby facilitate disengagement of the State.

In our contacts with the representatives of the public authorities, we did indeed detect a new posture called "new public management", a new way of managing the administration very much inspired by the market economy. When we present a new collective initiative, the representatives of the administration immediately look at the self-financing part in the economic model of the project. Of course, this is an important aspect, but it would be preferable for them to be first interested in the social and environmental impact of the project on the territory. We would like



them to ask; will it enable people to get by better, to be more autonomous, to live happier in a well managed environment?

### **Are you in contact with partners and other organisations similar to ARDES in other regions of France?**

Yes, we are members of a network called the Mouvement pour l'Economie Solidaire (MoES). In fact ARDES participated in its formation so we effectively have the same genes. It's a network that links regional structures like ARDES with a whole series of other national networks in the fields of culture, in neighborhood organizing, and fair trade. It is with the MoES that we have worked on legal questions of the solidarity economy particularly the interplay of actors addressing questions of citizenship and popular education. Of all the elements that are thought to be part of the social and solidarity economy in France these issues are the most complex.

For us, partnership is essential. We try as much as possible to use co-coaching and working in partnership. Each time we intervene to support an initiative, we try to

do it in complementarity with a specialized structure in order to avoid arriving with a personal dogmatic position. For example, we call on the teaching league to support associative life, on Terre de Liens or the Confédération Paysanne for the development of AMAPs or to accompany a group of peasants creating a collective farm.

### **How do you evaluate projects? Can you come back a little to the question of project evaluation?**

We did a lot of work 15 years ago with AVISE (Avisse.org | Portal for the development of the social and solidarity economy) which is a bit the toolbox for the social and solidarity economy at the national level to illuminate the question of social utility. Indeed, to justify the fact that we receive public funding, we have to prove that we contribute something to society, that we have a mission of general interest and social utility.

Gradually the concept of social utility has been described in terms of inclusion, integration, social cohesion, reduction of inequalities, improved living conditions, sustainable human development including education, health, environment, and democracy.

Today we have rubrics on social utility. We use them to help the initiatives we support to evaluate their internal functioning. First we look at how they ensure associative

democracy, the sharing of responsibilities, and transparency of functioning. We also look at conditions of employment, training, and social dialogue that allow their employees to experience something fulfilling. There are also questions of how they assure that employees receive effective training and opportunities for growth, understand how to fight against discrimination and exclusion, and implement practices that respect the environment.

We then help them to assess their impact on member organization staff and volunteers. We are talking here about their effectiveness in popular education, emancipation, autonomy, and development of social networks. We try to determine how they handle these initiatives, gain in their capacity for reflection and action, and how their voluntary involvement is valued.

Finally, we help them to evaluate their relations with the territory/local government. This includes how they work in cooperation, in partnership and co-construct their projects with these local authorities.

Our objective is that the elected representatives who finance initiatives understand and value the impact of these initiatives. We avoid putting forward abstract concepts rather we prefer to develop stories that show how when such

and such a person, through a solidarity grocery shop has gained self-confidence and developed social relations, becomes able to take charge of their own food in a responsible way, and so on.

Our ambition is also to help local authorities to evaluate their public policies with regard to these issues of general interest and social utility.

**Thank you, Jean-Baptiste, and my best wishes for the continuation of this exciting collective adventure.**

## STORY

# SIDI: An adventure of solidarity and cooperation



IDI, *Solidarité Internationale pour le Développement et l'Investissement*, is a socially

beneficial solidarity company created in 1983 by CCFD-Terre Solidaire. Its mission is promotion of more inclusive economies which provide better opportunities for disadvantaged populations in countries of the South and East.

*Specifically, SIDI promotes the concept of solidarity financing which involves adapting financing strategies and tools to better serve vulnerable populations. How is this achieved? By participating in collaboration with and consolidation of local economic development actors. These include:*

- *local financing institutions offering financial services adapted for populations excluded from traditional banking circuits particularly in rural areas;*
- *social organizations aiming to secure and increase the income of small producers, peasants or craftsmen*
- *support structures for community financing*



*SIDI strengthens partner institutions by providing financial and/or technical support and thereby contributes to the sustainability of the services provided to their clients. To learn more we interviewed Dominique Lesaffre, Director General of SIDI.*

## How would you describe SIDI's methods?

SIDI has a unique solidarity-based structure with no other equivalent in Europe. What are the reasons for this? Others also invest in microfinance, but SIDI



is creating a chain of financial solidarity. It addresses public opinion, here in the North, to mobilize resources which it then invests in a spirit of solidarity with the actors of the social and solidarity economy in the South. In France, SIDI is referred to as a 'solidarity investor' in countries of the South and organized on a socially beneficial basis.

### How do you define the term 'solidarity investment'?

Today, there are two thousand citizen shareholders and a hundred or so institutions, both French and European, that invest in SIDI. The word "solidarity" is an umbrella term that can mean almost anything if it is not explicitly defined. What is our understanding of this word? To start it means shareholders accept that they do not get a monetary return on their investment in SIDI because the value of that return is used to support the mission. That is the first dimension of solidarity. Furthermore, the shareholders remain holders of their capital so they can withdraw at face value when they decide to do so. Though there is no financial

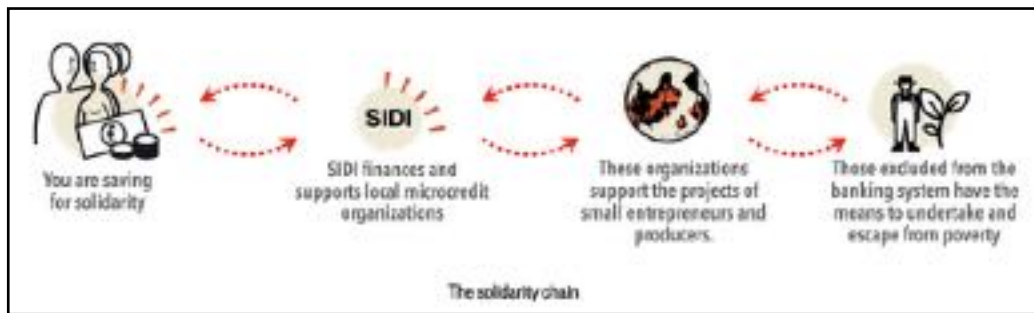
return, there is a very high social return as demonstrated by SIDI's medium- and long-term commitment to its partner organisations. This is the second dimension of solidarity.

### How specifically does SIDI intervene?

From a participatory development perspective, SIDI's approach is demand-driven. I emphasize this because most financial institutions, including social ones, generally take a supply-side approach. This means that before committing, SIDI studies the demands - not necessarily the needs. These are requests expressed by our partner organizations, based on their own agenda, not one dictated by the outside world.

There are two complementary fields of intervention that have emerged and are chosen based on this analysis of demand; one around financial services and the other around support services. Here is a breakdown:

1. **Financial services** - In the field of financial services, SIDI intervenes in three ways: Capital investment, loans (general or medium-term), and guarantees.
  - **Equity investment** - Equity investment is our core business. SIDI has become a minority co-shareholder of the organizations it supports. This means that it



participates in the life of these organizations in a dynamic similar to that of cooperatives. It is taking a risk! We are the only private solidarity investor to invest in Palestine, Haiti or Burundi companies! With time, the action of investment and accompaniment generates beautiful entities that become more efficient from an institutional, social and financial point of view. At that point, SIDI receives its return on investment, but it takes a long time before there is a return on investment. SIDI's investment horizon is generally between 10 and 15 years.

- **Loans** - In some cases, for example to finance fair trade campaigns, the entity needs working capital, not capital. In other cases, the country's regulations do not allow capital investment, for example in Morocco, where microfinance must remain in the associative field. In such cases, we invest in loans accessible to associations so as not to

increase their financial costs. The loan is not free, but the conditions we offer are quite reasonable.

Especially since a significant part of the loan is in local currency. This means that we are the only ones to bear the exchange rate risk.

- **Guarantees** - We instruct our bank to issue a default guarantee to a local bank which, on the basis of this title, grants a loan to the local organization. If there is a default, it is SIDI that reimburses the loan. We have done this in some countries, such as Ethiopia, where the regulations do not allow the repatriation of capital, making any investment or loan impossible. We therefore offer a range of financial products that allows us to respond, in an adapted manner, to the demand.

2. **Support services** - The second field of action centers around coaching which is an approach to provision of non-financial services. This kind of support relates to requests concerning strategies



around the structuring, consolidation and perpetuation of organizations. It is broken down into a series of services such as helping to define financial products for management, accounting, strategy definition, etc.

Coaching often goes hand in hand with investment. Indeed, when we invest, we ask - without demanding - to have a seat in governance because from the moment we invest capital in an organization we actually become co-owners. We link our destiny with that of the beneficiary organization. Of course, there is a security dimension to this since by being present in this way we can see where the money goes. Yet if we become too focused on this dimension we are no longer in a true partnership relationship so we have chosen a partnering approach grounded in trust. It is rather about sharing a community of destiny.

The second type of service is consulting to meet the different needs of the partner: a strategic need, a business need. For example, the structure, especially if it is a solidarity lender, must have financial savings and credit products adapted to the needs of the target population. That's not

how it's done; when you make a loan, you have to really size it up. Then there is the whole management aspect to assure that the structure has good management tools.

SIDI is therefore an entity that contributes to the structuring, consolidation and sustainability of the institutions in which it invests. But in the support mission, we are not directly involved in day-to-day management. The risk would then be to take away the partner's responsibility. On the other hand, we make sure that competent teams are put in place. A structure whose social effects are very important for the population must necessarily be managed by competent people.

### Which organizations does SIDI target?

We can classify them into two families: First are community financing institutions, by which we mean microfinance institutions, community financing institutions that sometimes become social banks thanks to our support. SIDI has thus specialized in institutional transformation, in consolidation, in particular for the mobilization of savings. The second group is organized producers, most often in



cooperatives, producer organizations or enterprises created by these organizations.

### What is your geographic scope?

To do this double job - investment and support - we need to have significant resources at our disposal, so we can't spread ourselves too thin. We also need to be familiar with the environments in which we operate.

Our priority is Sub-Saharan Africa, where there are considerable turmoil and needs. Our mission is to provide entrepreneurial support for social development in order to generate greater autonomy. We are very well positioned not only in Francophone West Africa but also in English-speaking Africa, East Africa, and Southern Africa.

Then there is Latin America to some extent for historical reasons since that is largely where microfinance emerged. SIDI has very interesting positions with serious

organizations with strong social impact in the Andean countries and in Central America.

Finally, there is the entire Mediterranean: Morocco, Tunisia, Lebanon and illegally occupied Palestine. With the exception of Egypt where the legal system is very complex and does not allow the repatriation of investments, we are not donors but investors. In this region we have chosen to "get our marbles back" so as to be able to reinvest elsewhere.

### At the international level, are there other organizations similar to SIDI?

At the European level, there is a fairly extensive landscape of solidarity financing organizations of the same type as SIDI, but only SIDI articulates investment and partnership. SIDI belongs to many networks or coalitions such as the Federation of Ethical and Alternative Banks and the 'International Association of



Microfinance Institutions bring local financial services to the poorest people.

Investors in the Social Economy with which we frequently provide co-financing.

### **What is the main difference between SIDI and a regular financial institution?**

First of all, there is the mission! The object of the investment must serve a collective interest and an exit from poverty. This is the meaning we give to money. It is a commodity like any other, it is not a dirty vector if it is well used.

The other difference is the importance we give to the time factor. We do not intervene in the short term. We affirm that time is important to allow the resources made available to bear their full fruit. So in

general, SIDI invests over periods 7 to 15 years, most often in the 12-15 years range which is unusual in the world of investment and loans. Finally, there is the dimension of partnership that I have already explained. This is what distinguishes us from ordinary financial organizations and is the basis of our mission.

## STORY

# Café Perú

**C**aféperu is a regional agro-industrial enterprise created by coffee cooperatives to their change in scale for the processing and local valuation of coffee. It is further defined as follows:

**Vision:** To improve the image of Peruvian Coffee in the national and international marketplace and positioning with the *Café de calidad* concept, thus contributing to the entrepreneurial consolidation of the member cooperatives, shareholders and producer organizations of the cooperative consortium.

**Mission:** To generate social value through generating commercial benefits to shareholder cooperatives and producer organizations while bringing sustainable improvement to the living conditions of their members. This is achieved through effective and efficient service delivery and establishing business alliances with a participatory, solidarity approach.

### Objectives:

- To provide technical assistance, financing and transformation of profitability *coffee of excellence* for shareholder cooperatives and producer



organizations that are members of the cooperative consortium;

- To increase the volume of collection and export of green coffees of differentiated quality (organic and/or specialty);
- To introduce a line of roasted coffees with their own brands on the national market as well as distribute other group products.

## A significant case

The case of Caféperu is significant for a few reasons. On the one hand, it shows the difficulties faced by farmers' organizations in a country like Peru. The *Central de Cooperativa Agrarias Cafetaleras CafePeru* was created in 1964 as an association in its time integrated more than 60 cooperatives accounting for 75% of national coffee

exports. However the country's economic crisis along with the coffee crisis and effects of the terrorism perpetrated by the Shining Path all hindered its success. Over time, many of the fragile cooperatives that had belonged to Caféperu either shut down or were absorbed by private companies. These private companies were more competitive setting up collection centers in the production areas and took advantage of administrative and financial weaknesses of the cooperatives which had not modernized.

On the other hand, the case of Caféperu illustrates the key role an organization like SIDI can play in promoting solidarity economy initiatives by supporting producer organizations and promoting the development of sustainable agriculture that respects biodiversity.



## Support from Solidarity Financing in France (SIDI)

In the 1990s, Dominique Lesaffre had accompanied this cooperative in a process of institutional diversification aimed at backing a financial savings and credit cooperative with a producers' cooperative. This was done to intensify its means of production while distinguishing the functions of savings from production. It then helped this cooperative join forces with six other local cooperatives to create a new company in which SIDI became a minority shareholder bringing new investment capacities. The main objective was to create a high quality coffee for local consumption while ensuring better outlets for production. The investment by SIDI made it possible to set up a plant in the middle of the Amazon for roasting coffee and preparing it for local consumption and export.

SIDI is very committed to Caféperu, which owns 49.23% of the company's capital. Moreover, every year SIDI provides a line of credit to support their marketing campaign. In 2020, this line amounted to USD 400,000. The total exposure with the partner (including investment) thus amounted to USD 1.4M. On the other hand, SIDI is not immune to internal management challenges. A July 2018 misappropriation of funds by corrupt

leaders caused Caféperu to launch a major recovery effort.

When asked, Dominique Lesaffre explains the corruption problem like this. ‘When you are poor and you have to tighten your belt, it is easy to show solidarity because you know you can’t manage on your own. Yet, when you become rich by having generated considerable value, a lot of reflection and personal exploration around the meaning of this new prosperity is needed so as to resist corruption’.

In response to this serious challenge SIDI intervened to:

- Reassure the cooperatives that as shareholders they are also quite distraught by the fraud assured them of their support
- Identify a new Chairman
- Ensure that the costs of a high-level lawyer were covered to take the necessary precautionary measures for recovering the company's integrity
- Ensure rigorous follow-up to help the company bounce back

‘The natural response,’ explained Lesaffre, ‘Would have been to close our eyes and write everything off, but we didn't want to do that! We had a vision and practically were indebted to those who had entrusted us with their funds. Though we had to

elect a new board of directors and change the entire management, this crisis also had several positive effects notably revival of the social connections between the producers' cooperatives and Caféperu under the leadership of the new president. He is a serious guy who has restored confidence and the cooperative spirit’.

## The rebound

Caféperu held a General Meeting on January 31, 2019, in the presence of the new legal counsel contracted by SIDI, and set up a new Board of Directors. The new president then formed a new management team around him comprised of trustworthy, competent and experienced people. He set about relaunching the business and drawing up a realistic business plan. The 2019 results were positive and very gratifying for this new team.

## Re-establishing producer cooperatives

In the past, producer shareholder cooperatives did very little business with Caféperu due to a lack of trust in the former team. Since the arrival of the new team, they once again showed interest in engaging Caféperu and using services of the plant. Commitments were made upstream with shareholders and affiliated cooperatives to ensure implementation of the 2019 business plan and win back the



Thanks to SIDI, Cafeperu has modern equipment

cooperatives. This enabled Caféperu to work with 14 cooperatives in 2019, most of which were not shareholders. These 14 participating cooperatives sourced their supplies from 3200 small coffee farmers. In 2020 and for the years to come, Caféperu also wants to strengthen its role of ‘accompaniment’. This involved consolidating financial endorsement linkages between bank/credit savings cooperatives (COPACs), agricultural cooperatives, and Caféperu through which the cooperatives would apply for a campaign loan from the banks/COPACs. Caféperu would then reimburse the banks/COPACs concerned directly upon the sale of coffee by the cooperatives. This also promoted dynamic diversification of income-generating activities for coffee farmers notably an exchange project with an expert beekeeper from the Bluebees Network.

## Financial results

Caféperu’s results for the year 2019 allowed it to close the year with a small profit of USD 37K. Although it did not attain all the objectives initially set in the business plan (partly explained by the very late June start of the campaign linked to the management crisis), the company was able to generate good sales, especially of green coffee. Thanks to the combination of strong demand (especially RFT) and the SIDI credit line, Caféperu continues to hit sales targets.

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**STORY**

# Community Finance Guatemala

## A GRACE Cares<sup>1</sup> Initiative

Andrew Becker et Katherine Treat

**A**s I made my way to Antigua, Guatemala, I considered the daunting task before me: design and implement a savings group program in rural Indigenous Maya communities. Despite having no savings group programming experience, I was warmly and enthusiastically welcomed by the local Soluciones Comunitarias (SolCom) team. Their support, along with encouragement from the Carsey School of Public Policy at the University of New Hampshire, inspired me to reach out to the international savings groups community so I could learn more about this development methodology. I was quickly accepted into this network, and thanks to organizations such as the Village Savings and Lending Association (VSLA), I gained access to a wealth of knowledge and resources on successful savings group programs in thousands of communities worldwide.

## Women's groups

With a new framework of best practices and methodology acquired from fellow practitioners, I worked closely with various women's groups in several rural Indigenous Maya communities to conduct a series of interviews, focus group discussions, and introductory workshops. I learned that throughout Guatemala ROSCAs (Rotating Savings and Credit Associations), or *cuchubales*, already existed and could easily become savings groups with the ability to lend money between members. It also meant that culturally, these communities already had traditional practices and values of collaboration and solidarity for the well-being of everyone.

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<sup>1</sup> GRACE Cares, an American organization, partners with local communities on small-scale community development projects that make a difference by empowering people to improve their lives, while respecting local cultures and traditions. <https://gracecares.org>



Doña María taking notes at a savings group meeting.

## Community workshops

To encourage cooperation and the sharing of collective experiences among Maya women, I moved away from focus group discussions and began community workshops that were less focused on what *I* had to say and more focused on what the *women* had to say to each other. We discovered together how women were managing money in their daily lives, and how financial literacy and management could increase their financial welfare. In addition to sharing important information, these community workshops fostered the creation of groups of individuals joining together to help themselves overcome perpetual financial uncertainty and

instability despite barriers commonly experienced by Maya women: low levels of education, high rates of illiteracy, low wages, and inconsistent cash flows.

## Doña María

To build the solidarity movement, I connected with an inspirational female leader from the community, Doña María. As the coordinator of the Women's Municipality Office, she had experience working with hundreds of women. When I visited her community of San Juan Comalapa she was inspired by the prospect of helping women to help themselves and decided to form her own group with some friends and family members, take the financial literacy



Wilfred observing a saving group's secretary manage the group's accounting

workshops, and create a savings group. I trained her and her son Wilfred, and they became the first local savings group trainers, which we called Community Finance Advisors. Since 2016, they have provided financial education to more than 500 community members, and they have facilitated the creation of 21 savings groups that have collectively saved more than \$70,000, distributing more than \$115,000 in total loans, and earning the group members collectively over \$18,000 in interest! They have also recruited and trained additional team members from the savings groups they work with.

Many of the accomplishments of our team have been due to their capacity to relate, in

their native tongue of Kaqchikel, to the women's groups by speaking from lived experience. Doña Maria regularly talks about the power women have to get themselves out of poverty, especially when working together. She is now able to cite not just her own success stories, but those of many women in the program. She shares how Glendy was able to repair the leaky roof and crumbling walls of her home with a loan from her savings group. She speaks about when Florinda used a loan to purchase a plot of land to grow corn and beans to feed her family and sell at the market. There's also the story of the women of Tonajuyú, who started their own weaving business with a loan from their savings group, and now make woven



Florinda making a savings deposit to her group.

bands for sun hats that are sold in stores in the US and Europe. Together, little by little, the women in their groups learn they can manage their own money and save so that one day perhaps, they too can achieve their goals.

## A culture of solidarity

Community Finance Guatemala (CFG) owes its success to the dedication and generosity of savings group practitioners, to Doña Maria, Wilfred, and the rest of the CFG team, to the culture of solidarity that runs deep in Maya people, and to GRACE Cares for its continuous technical support. CFG is rooted in and run by the community it serves, allowing for a deep sense of mutual support that motivates

local action for the betterment of all. As collective realization and the feeling of solidarity has grown, women in the communities have started to see that they are not alone in their struggles and have formed powerful friendships that have led to the sharing of ideas and strategies for business growth and the increased initiative and resources to make meaningful changes in their lives.

## STORY

# Delivering social services in UK: Prospects for increasing collaboration

David BULL

*David Bull sits on the boards of trustees for a number of charities in the United Kingdom and is an elected member of the council of governors of a National Health Service provider in northwest England. He is a life-long volunteer with the Scout Movement. He is also a member of the UK Labour Party.*



## Increased demand for services

World-wide, community organisations and volunteers are stepping up to help communities deal with the devastating impact of the pandemic. No one is better placed to do this. These groups have specialist knowledge and expertise which is vital to society as it responds and adapts to the impact of coronavirus - either directly by supporting health and social

care provision or indirectly by supporting the millions affected by the almost-incredible socio-economic consequences. This increased demand for services is happening just as the community and voluntary sector is losing a significant proportion of their revenue. During the first twelve weeks after the crisis became widespread in March 2020, voluntary groups in the UK stood to lose GBP 4 billion in revenues. A recent poll indicated

that forty percent of respondents are experiencing a deteriorating financial position month to month, with thirty-seven per cent expecting a worsening situation over the coming weeks.

The on-the-night total for BBC Children in Need television appeal was GBP 10 million down from 2019, when the donations came to GBP 47.0 million.

Those groups that survive the pandemic will look hugely different, with perhaps a severely reduced capacity to provide the support that people need. And this despite almost half of organisations saying they expect demand for services to grow over the coming months, with many saying that demand has doubled over the past year.

## Government's interventions

To help avert collapse the British Government put in place a number of interventions supporting the voluntary and community sectors:

- Specific funding for charities;
- General support for business and commerce, from which some voluntary groups have benefited, although criteria for success are often unclear and responses from funders are slow;
- Payments to cover a proportion of the costs of staff who are furloughed from their jobs (64% of charities have benefited);



- Additional budget allocations for Government departments.

Yet, it is clear that the support announced is not enough to protect the scale and wide diversity of charities that exist today.

## What needs to be done?

The priority must be to obtain even more funding from government made available quickly and effectively. Government, community and voluntary groups must also work in tighter partnership to address the medium and long-term scale of challenges that lay ahead.

And the crisis has not only affected their revenue. Four out of ten charities have reported a fall in the amount of time contributed by volunteers last year as the coronavirus pandemic hit. Latest data from the Covid-19 Voluntary Sector Impact Barometer, which is produced by Nottingham Trent University, the National Council for Voluntary Organisations and Sheffield Hallam University, found that of the 710 organisations polled in January, 40% said they had experienced a decrease



in the amount of time provided by volunteers since March last year.

Slightly more than one-third of organisations said they had experienced a fall in the number of people volunteering over the same period, with twenty per cent saying they had seen an increase and the remainder saying the numbers were unchanged.

Sarah Vibert, interim chief executive of the NCVO, said the research showed a mixed picture on volunteer involvement. *“This decline in formal volunteer involvement is a result of current environmental factors rather than a decline in interest,”* she said.

*“Throughout this pandemic we have seen a shift from formal to more informal volunteering roles for a variety of reasons, including caring responsibilities, shielding requirements, and people looking to help where there is seen to be immediate need. However, this shift in volunteering could impact smaller, local charities which are reliant on volunteer support, particularly at a time of increasing demand for services and decreasing incomes.”*

But these figures may be the tip of the iceberg: the survey only covered formal volunteering for charities and would therefore not catch people who had put themselves forward to support programmes in the public sector, such as the Covid-19 vaccination programme, or other forms of informal volunteering, which they said had increased during the pandemic.

So, as charity belts tighten and in-person fundraising events recede into the past, what can be done?

- The pandemic is making us think more about wider issues in society. New donors may come onto the field
- Voluntary groups are selling off assets (usually buildings) whilst reviewing working arrangements (remote operations and so on)

Mergers are often treated like a miracle cure in the voluntary sector. In theory, bringing together organisations with shared goals creates a leaner and more efficient sector, cutting out unnecessary duplication.

In a time of unprecedented loss in income and huge rises in demand, it follows that there should be the same increase in the number of charities seeking to join up with other organisations working in the same space. The Charity Commission’s register of charities in England and Wales suggests that mergers across the sector rose by nearly a

third during the initial months of the first national lockdown. One hundred and fourteen mergers took place between March and June 2020, compared with eighty-nine during the same period the year before. Although some of the mergers listed the impact of the pandemic as a factor in their decision, many were the culmination of discussions that began long before Covid-19 took hold, and happened in spite of the crisis, rather than as a result of it.

For small charities, in particular, there are risks that go along with mergers. Small organisations have a degree of connectedness that big ones simply cannot provide. But mergers may make sense for national charities looking to extend their impact and reach. When Childline (which provides a confidential reporting service for children and young people who are at risk) merged into the children's charity NSPCC in 2005, for example, the service was able to continue and benefit from the reach, stability and infrastructure the bigger charity could offer.

## We cannot wait

But we cannot wait for the 'new normal'. We need to actively plan now and many agencies are. For example:

Tufail Hussein, director of Islamic Relief UK, believes that any charity's survival hinges on effective pivoting. *"The pandemic was announced before Ramadan, when we raise*



*thirty-five per cent of our annual income in the UK. Due to the lockdown, we had to cancel hundreds of community fundraising events. Thankfully, we've got a great team, and they put together a contingency plan, reallocating funding to direct marketing efforts, with a particular focus on online fundraising. They came up with initiatives like a virtual mosque and engaged social media. Our clothes operation moved into online trading. Peer-to-peer fundraising worked really well too. Ramadan looks set to be a record period of fundraising for us, and that's thanks to our team's agility."*

The debate on the the structure of voluntary groups will continue and which influences their options which vary. Four categories can be identified each with distinct adaptive assets and challenges:

- Small unincorporated groups with no staff and a totally volunteer based management.

- Organisations with charitable status regulated by the Charity Commission in England and Wales and similar regulators in Scotland and in Northern Ireland
- Community interest companies: These are businesses with social objectives whose surpluses are reinvested in the business or the community. The regulation of CICs is simpler than for more standard limited liability companies but they do not have charitable status in law. CICs tackle a wide range of social and environmental issues and operate in all parts of the economy.
- Social enterprises: These are set up on normal business lines that aim to make a profit in the same way as any other company. They are regulated like any business in the retail or any other part of the economy. But it's what they do with their profits that sets them apart - reinvesting or donating to create positive social change.

## Social enterprises

Social enterprises are especially adaptive to our times. By selling goods and services on the open market, social enterprises can create employment and reinvest their profits back into the business or the local community. This allows them to tackle social problems, improve people's life chances, provide training and employment

opportunities, support communities and help the environment.

Social enterprises exist in nearly every sector, from consumer goods to healthcare, community energy to creative agencies, restaurants to facilities management. Well known examples include The Big Issue (a magazine sold by street vendors where the profits go to supporting the homeless), Divine Chocolate (speaks for itself!) and the Eden Project, a visitor attraction in Cornwall, England, providing environmental education in normal times to over a million visitors each year. There are over 100,000 social enterprises throughout the UK, providing GBP 60 billion to the economy and employing two million people.

Advocates for social enterprises say that they are transforming the communities they work in and making Sustainable Development Goals a reality. It's business for good and when they profit, society profits.

Social enterprises can be recognised by their special characteristics:

- The business has a clear social or environmental mission that is set out in its governing documents
- It is an independent business and earns more than half of its income through trading (or is working towards this)

- It is controlled or owned in the interests of the social mission of the enterprise
- It reinvests or gives away at least half of the profits or surpluses towards its social purpose
- It is transparent about how it operates and the impact it has



The Eden project

All the signs indicate that interest in community interest companies and social enterprise more widely is rising. But that is not to say future circumstances will encourage people to take the initiative or associated risks required for growing this sector. Much will depend on the economic, governance and social context. Therefore the voluntary and community sector needs to be part of the debate and advocate for fostering organizing structures that will not only best serve those in need but do it with increasing efficiency and synergy. Social enterprises along with cross-agency collaboratives that help knit them and wider societies together are essential to the process.

A positive outcome of the pandemic is heightened collaborative work and partnerships. We are all also becoming more creative and flexible in our approaches to funding, legal status and to

the delivery of services for those in need. Voluntary organisations will do well to review their approach to their own governance - and to see whether changes and perhaps collaborations will help improve flexibility and delivery of their mission driven services.

## STORY

## MIC: Synergy from COVID

**Immigrant Support Organizations Come Together to Form Massachusetts Immigrant Collaborative : COVID-19 public health crisis prompted immediate response to support more than 40,000 vulnerable residents**

by Maria Kucinski

Boston MA – At the outset of the Covid-19 pandemic, diverse and multicultural immigrant support organizations came together to provide direct emergency relief to Massachusetts’ most vulnerable residents – immigrant families. The Massachusetts Immigrant

Collaborative (originally named the Boston Immigrant Covid-19 Collaborative<sup>2</sup>) was formed with guidance from the Boston Mayor’s Office of Immigrant Advancement (MOIA) with lead funding from the Boston Resiliency Fund to address the urgent need in the community to

support those families without a safety net.

*“The Massachusetts Immigrant Collaborative serves those families who represent the backbone of our city,” said Boston Mayor Martin J. Walsh. “My team in the Mayor’s Office of Immigrant Advancement is proud to work closely with the partner organizations who work directly with those in need of immediate support. We are drawing on*



FP-Project Hope. Photo Greig Cranna

<sup>2</sup> <https://www.immigrantrelief.org/>



*the strengths of the community-based organizations to provide relief and offer a path towards recovery.”*

## Vulnerable populations

Diverse populations of immigrant families in Massachusetts are especially vulnerable during this crisis as they work in frontline jobs in healthcare, food services, retail, tourism, construction, cleaning services, and domestic work. Meanwhile, their children are at home without access to meals that the schools provide and with limited access to tools for learning.

Many families are undocumented and not eligible to receive unemployment benefits or relief and need immediate support for basic needs such as groceries, food, pharmacy products, diapers, hygiene products, utilities, childcare and rent.

*“Each day, the burden to provide for their families becomes more urgent,” said Massachusetts Immigrant Collaborative steering committee members Natalicia Tracy, Patricia Sobalvarro and Ronnie Millar. “Our goal is to provide immigrant families with direct relief with respect for their privacy, dignity and humanity.”*

Initial funding of \$650,000 from the Boston Resiliency Fund, provided direct, emergency

relief to immigrant households regardless of legal status through financial assistance and food assistance. Since April 13, 2020, the Collaborative has supported more than 40,000 immigrants by providing sums of \$50-\$1,000 to households as well as culturally sensitive meals and fresh produce.

## Partner Organizations

The 15 partner organizations include: Agencia ALPHA; Boston Chinatown Neighborhood Center (BCNC); Boston International Newcomers Academy's Center for Collaborative Education (BINcA); Brazilian Workers Center; Caribbean Youth Club; Centro Comunitario de Trabajadores (CCT); Centro Presente; Dudley Street Neighborhood Initiative (DSNI); ICNA Relief; Immigrant Family Services Institute (IFSI); MetroWest Workers Center/CASA; New North Citizen Council; Pioneer Valley Workers Center; Rian Immigrant Center; Sociedad Latina.

The Rian Immigrant Center serves as the lead partner and fiscal agent to ensure efficient and transparent disbursement of funds directly to families in diverse

immigrant communities and in coordination with Boston's existing food distribution operators. The steering committee is comprised of Agencia ALPHA Executive Director Patricia Sobalvarro, Brazilian Worker Center Executive Director Natalicia Tracy and Rian Immigrant Center Executive Director Ronnie Millar.

The City of Boston produced a video about the Collaborative: <https://www.boston.gov/news/boston-resiliency-fund-grantees>



## A paradigm shift in immigrant services: Members reflect on distinguishing features of MIC structure, process and impacts

Edited by Larry Childs

In addition to raising and dispersing \$3M in emergency relief aid to vulnerable immigrants in 2020, the Collaborative is helping to redefine the immigrant services community. During a weekly one hour on-line meeting of members (supported by plenty of behind the scenes planning), MIC has become an essential forum for its 15 agency leaders. Through the Collaborative they further develop their own understanding of the issues, build their skills and are coalescing into a movement - one that is improving the daily realities of immigrants while also shifting public perceptions. There is a narrative that goes beyond access to services and 'assimilation', to highlighting the economic contributions of immigrants and immigrants' ambitions to aid in mending the social fabric of a fragmented nation. To better understand MIC's impact and potential, it is instructive to take a deeper look at one of its central organizing structures - the weekly meeting.

Members share their insights on the distinguishing features of the Collaborative that have evolved since April and progressively during the weekly meeting.

Following is a distillation of insights identified during a year-end retreat:

1. **Meetings experienced as uplifting** - Too often meetings on fiscal management are experienced as stressful and a burden. In the case of the Collaborative this is not the case. We have created something unique.
2. **Meetings as professional development** - The weekly meetings address far more than the technical requirements of funding allocation, strategy development and coordinating services. They have also been experienced as educational and highly relational. The meetings are intentionally structured and facilitated for the professional development of members and relationship building,
3. **'We derive tremendous inspiration from one another'** - There is more recognition than before COVID that we have the power to make more substantial changes than seemed possible.

4. **An exercise in humility** - We have also been growing and learning about our own privilege - this has been an experience in humility.
5. **Remote meetings facilitate inclusion of agencies from beyond Boston** - The remote, on-line MIC meeting format is more inclusive in that it allows partners from outside of Boston to participate. It also increases time efficiency since people do not need to travel. This is a silver lining of the pandemic. That said members also look forward to meeting some in-person post COVID.
6. **Non-competitive culture** - “Everyone within the partnership is leaning in. There is such a sense of solidarity and energy around being collaborative without expressions of individual agency self-interest. At meetings there are many expressions of non-competitive and inclusive seeking processes. We are at a point that such behaviors have become consistent and normative to how the Collaborative functions”.
7. **Reflecting on the rise of women’s leadership** - The collaborative reflects and has been influenced by the important rise of women in leadership. One member told the story of her own rise from closet office, to curtains around her desk to leading the agency.
8. **Gaining deeper learning about our own communities** - We have learned even more about the needs of our communities and knowledgeable about the under-served. For instance our time together has led to deeper reflection on broad hierarchies of vulnerability. We consider better the differing experiences of Latinos versus those who are immigrants (first generation) and then those who are undocumented immigrants.
9. **Deeper connections with immigrants** - Another result is increasing connection between service providers and those being served. Julio from CASA told a story about an undocumented immigrant who, when his advocate named Jose died from COVID, took initiative to contact CASA. He expressed appreciation for the mentoring he had received and how being embraced by CASA assured him he was not alone.
10. **‘More than about English language acquisition’ - A narrative of immigrants’ contributions versus focus on needs.** Too often immigrant services are perceived as having a focus on gaining English language competency and facilitating social assimilation. Yet much of our work is actually about lifting voices, empowerment and changing the

narrative about the role of immigrants in our communities and country. How? It is about the dedication of immigrants to making positive contributions in their communities and making a better, diverse and more inclusive country.

Two MIC members elaborate on this last point - the notion of COVID recovery as a catalyst through which immigrants are helping to reimagine and build a better nation for all :

*‘While recovery planning is underway we are not looking for a return to what was ‘normal’ since the injustice and inequities of the past were not working. As COVID continues to heighten inequality we are looking deeply and intently towards a more inclusive future. In our sights are repairs to these systemic issues at the structural level. By working together we have been better able to align our visions, voices, strategies and actions. This strategic and consensus-driven solidarity work is already underway as we are advancing legislative initiatives and publishing opeds that shift public perception of the immigrant narrative.’*

*‘An important aspect of narrative is debunking the notion that immigrants must assimilate into the ‘melting pot’. In fact immigrants have always carried with them not only attributes of culture that enrich and continuously transform this country, but aspirations for a better and more just existence. Ironically the disparities and*

*inequities in their new host nation too often parallel those of the native lands they left behind. In this sense immigrants are not only a huge asset for the jobs they fulfill and which many long-time resident Americans refuse from housekeeping and custodial services to farm work and meat packing, but they are also a key to reimagining a country that is tearing itself apart on many levels. What many of these newcomers pursue is not just a vision of a better life for themselves, but an intense desire to help their new nation reach more intently towards its American ideals’. -*

**Patricia Montes, Centro Presente**

*‘When I hear the term ‘solidarity financing’ I close my eyes and imagine a synergy of creation. By coming together with those who, in a given moment are set back, we harness our collective energy to provide not only essential services and food for the masses, but something expressly new on the social front as well. In these acts of solidarity the implicit acts of generosity helps to renew ourselves. By addressing the needs of immigrants, members of the wider society are presented with an opportunity to be their better selves... to live the American spirit in an essential way. There is a deeply patriot opportunity in this moment in that so much of the countries’ founding and constitution calls upon its people to support others precisely in the circumstances presenting so many current as well as past immigrants’. - **Julio Ruiz, Metrowest Worker Center-CASA***

## Massachusetts Immigrant Collaborative: Year End Retreat: Accomplishments Snapshots 2020



- **Resiliency** - Clearly focused on immigrants resiliency to cope with COVID, polarized politics, forms of oppression, and their many day-to-day challenges
- **Trust & commitment of donors** - Raised \$3M for emergency relief and services while providing ‘boots on the ground’ credibility - 40,000 served, educated, seen & known
- **Depth & breadth** - Formed a diverse membership in many respects while building closer interpersonal relationships - Among members & members with their constituents
- **Institutional collaborations** - Fostered effective collaboration across state agencies, city services, and community-based organizations
- **Learned from one another** - By reinvesting in MIC members capacity building advanced at all levels
- **State-wide advocacy** - Conducted by MIC as well as at the level of member

organizations often with aligned messaging

- **Changing the narrative** - Immigrants as not just focused on assimilating but as essential contributors building social fabric in the communities where they live
- **Priorities for the future** - Going beyond emergency relief to expanding services and capacities in education, legal assistance, youth services, and advocacy
- **Organizing for sustainability** - In 2021 the MIC administrative and programming structures aim to organize for operating well beyond the immediate COVID crisis

For more information visit <https://www.immigrantrelief.org/>

MIC leaders envision COVID recovery as a catalyst for positive change.