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Participation, Governance, Collective Action, Democracy and the Social and Solidarity Economy

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Abstract

This entry shows how the social and solidarity economy (SSE) fosters participation, collective action, and democratic governance, inside and outside SSE organizations. In addition, it reveals that for these democratic processes to work effectively, SSE organizations should have a mode of operation that is not restricted to utilitarian rationality, does not restrict its economic regulation to market principles, and does not confine its political action to the domain of formal politics, i.e. a constitutional system of government and publicly defined institutions and procedures. Furthermore, it describes how SSE's forms of participatory management and deliberative citizenship allow organizations to meet objectives while consolidating the relationships and primary sociability ties between individuals and/or groups. Finally, it exposes the risks and challenges of democratic management in SSE organizations, and also shows other terminologies to evoke the meaning of participatory democracy in SSE.

Keywords

democratic management; democratic governance; participation; deliberative citizenship; active citizenship; public sphere

Introduction

Organizations identifying themselves as pertaining to the social and solidarity economy (SSE) have or pursue the following: a) equity; b) citizen-political empowerment; c) territorial belonging; d) the plurality of economic principles; and e) democratic management. This entry will address the aspect of democratic management, seek to highlight the meaning of democracy in governance and collective action of SSE organizations, and explore why participatory processes and active citizenship are essential to their survival. This entry argues that even if an SSE organization claims to achieve its mission and meet its goals, it is critical to observe the method and processes through which it got there.

In this entry, ‘SSE organization’ is used as an umbrella concept encompassing various organizations or collective efforts that aim to achieve the collective purpose and common goals. They include but are not limited to: cooperatives; associations; productive groups; consortiums of people supporting solidarity finance funds; community banks; resident forums and councils; exchange clubs; and temporary projects, such as people’s joint effort or group mobilizations(also see the entry “Contemporary understandings of the SSE”). This remark is relevant because it delimits an understanding of the SSE and its organizations that goes beyond the logic of economic regulation of human life, based only on market relations.

Further, the economy should be understood as a process of interaction between humans and their natural and social environment, which is based on a plurality of regulatory principles (Polanyi 2001). In this way, the expanded approach to SSE organizations used in this entry allows clear presentation of at least two other regulatory principles. These two other patterns are key to determining a more integrated economic reality of SSE organizations to be added to the already conventionally institutionalized regulatory principle of market exchange. These are the principles of reciprocity and redistribution. The principle of reciprocity is established in non-monetary economic relations of proximity and neighbourhood. As for the principle of redistribution, it is based on resource transfers and interventions that seek societal economic balance at the state level. Reciprocity, redistribution, and market exchange combine in the SSE to enable the hybridization of economies, showing that in society, SSE organizations are diverse and have market, non-market, and non-monetary patterns of regulation. These economic regulatory patterns may manifest themselves in combination with each other, or an SSE organization may even comprise all these patterns simultaneously in their actions.

In SSE, gains, benefits and revenues obtained, whether individual, collective, organizational, or territorial, should result from shared conventions that express the ways subjects and social forces participate in this common decision-making process. Participatory forms of decision-making, even involving different stakeholders, tend to be more balanced. In these processes, democracy is central and without it everything is half-baked. In this perspective, participatory processes and democratic management are fundamental principles of SSE organizations, showing the collective ambitions that these types of organizations seek to achieve together with social justice, alterity, and freedom.

Sen (2000) states that development requires the elimination of freedom deprivation, which limits people's choices and opportunities to exercise their condition as agents. In the context of SSE, this condition requires active citizenship, full participation in decision-making, and democratic governance. In addition to liberty expansion, the extension of democratic processes is critical to effective development. The extension of democratic processes must be pursued simultaneously with the expansion of freedom. Therefore, democracy, as an exercise of participation and collective action, must be a guiding principle of SSE in at least two levels: organizational and societal. The

organizational level regards internal action in the organization, namely its democratic management and participatory practices in decision-making processes. At the societal level, the operation of the SSE organization encourages the participation and mobilization of individuals or groups within its domain, aiming to act in the public sphere through deliberative citizenship.

1. Democratic management, governance, and participation at the organizational level

By deepening democracy at the organization level, a management model is established, which uses a privileged space of social relations to foster participation, where everyone has the right to express himself/herself without any kind of coercion. Likewise, this democratic management is a managerial process with emphasis on dialogue and horizontal relations, where decision-making authority is shared among the organization's participants. In democratically managed organizations, the legitimacy of decisions must originate from discussion processes, guided by the principles of inclusion, pluralism, participatory equity, autonomy, and the common good. For this democratic management of SSE organizations to work, it is necessary to ensure the mechanisms of participation and reflect on the rationality that guides these practices.

In this entry, in the context of organizational management, rationality is defined as the set of principles that orient the purposes, strategies, and actions of the individuals when managing an organization. In a private company, for example, the management focus is utilitarian rationality, with a market economic purpose which results in using all necessary means to maximize market economic return, regardless of the negative social or ecological consequences of that action. According to Guerreiro Ramos (1984), utilitarian rationality conceives a society centred on the market, responsible for the degradation of social relations and the waste of natural resources, often without any ethical questioning. In such a case, the only measure is the maximization of market economic return for the organization's success. In contrast, there is substantive rationality that has the attributes of self-fulfilment, ethical judgment, valuation of collective social well-being, and the autonomy of participants in the management process (Eynaud and França Filho 2019). Therefore, substantive rationality is the principle that best guides the democratic management model of SSE organizations.

In practice, this democratic management model adopts procedures that strengthen self-management, participatory governance, and the empowerment of individuals involved in the organization's actions. In addition, the model stimulates the engagement of people in the internal decision-making processes of the SSE organization, enabling the consolidation of relationships and ties of primary sociability, which comprises the social relationship between individuals based on the proximity ties that are indispensable for social existence such as family, relatives, friends, allies, and neighbourhoods (Caillé 2007). In society, the primary social relationships or the primary bond is pursued for their own sake while the secondary relationships or bonds are seen as a means to an end. In this sense, the rationality and the instruments of democratic management employed by SSE organizations go beyond the explicit achievement of the goals in their field of action. Through this substantive rationality and the instruments of democratic management, SSE organizations pursue verifiable collective learning of shared management and the consolidation of mutual trust, increasing equity, reducing the information asymmetry among participants, and strengthening relations of proximity and solidarity.

2. Active and deliberative citizenship and participation at the societal/public sphere level

To address the democracy issues fostered by SSE organizations at the societal level, in particular in the public sphere, it is necessary to consider a crucial aspect of these organizations. Assuming that SSE organizations were established from a matrix of hybridization of economic regulation principles which are structured under more substantive rationality, it is imperative to recognize that this type of organization should not focus and restrict their operation only to achieving their internal organizational mission. In other words, SSE organizations should not be limited to exclusively meeting the needs of their audience or acting only towards improving their institutional environment. SSE organizations must have a wider mission to improve the collective, community/local, territorial, national, and global conditions of sustainable development.

Although SSE organizations are created for a specific purpose (to produce goods, provide services, finance projects, share or exchange products, mobilize a community, and fight for a cause), their actions should always go beyond this purpose. SSE organizations must always add the goal of encouraging individuals to act as active citizens in the public sphere, either as pressure groups or as active individuals engaged in planning, implementing, evaluating, and exerting social control of public policies. They should act not only on SSE public policies, but on all those aiming to achieve better conditions of collective life (housing, health, social assistance, environment, culture, education, work, employment, rural development, urban planning, and gender, race, ethnicity and religious equalities).

It is about extending the arena of democratic management beyond the SSE organization and promoting pedagogical actions that encourage the participation and mobilization of the exercise of participatory democracy, deliberative citizenship, and social management (Silva Junior, Rigo and Vasconcelos 2015) at local, regional, or even national level. The practices of democratic management built at the organizational level, such as strengthening social ties, building cooperation networks, accumulating established social relations, and learning from internal democratic processes should contribute to deepening democracy at the local, territorial or national level. In this spillover of democracy beyond organizations, it is crucial that SSE organizations encourage their members to claim, occupy, enjoy, and build their places of active citizenship in the public sphere.

This encouragement may begin with public debates at the local level, in an exercise of direct deliberative democracy (see the entry "Origins and histories of SSE). In these debates, individuals, regardless of their role (e.g. members, partners, participants in organizations or projects, entrepreneurs, students, residents, etc.), should plan and decide on the actions, products or services to carry out, according to identified local/community demands. Next, or simultaneously, these active citizens must mobilize and express themselves as pressure groups so that their various demands toward sustainable human development (in resonance with SSE) are recognized as legitimate by civil society. Finally, there is an expansion of deliberative citizenship in the public sphere when the citizens' participation reaches the formal spaces of the state structures, such as district, municipal, provincial, departmental, regional, or national assemblies, councils, and forums.

The public sphere, at the societal level of democracy practice, should be recognized as a space for presenting and debating demands and projects for legislation and public policies. In summary, this process can start from an idea discussed within SSE organizations, go through collective debate in the local arena, and even take to the streets in the form of citizens' claims. Next, this could be close to becoming an act or public policy (not limited to only those related to SSE), in cases in which it reaches the prime

arena for the exercise of participatory democracy: the public sphere. Understanding that the public sphere encloses the citizens, the state, the market, and civil society, constantly in cooperation and conflict, is essential to understanding what this environment means for democracy.

The state officially recognizes public demands within the public sphere, as well as public policies and government actions, built and decided in that space. Thus, for citizens to become more active and decisive in the public sphere, it is required to raise deliberative citizenship to a level of importance as relevant as that of the state's representative democracy. In addition, citizens need to be better educated and prepared to act collectively in the public sphere when defending the substantive interests of human life. In these two aspects, SSE organizations contribute effectively to the participation of individuals or groups linked to SSE in the public sphere not just quantitatively, but, above all, qualitatively. These contributions are nurtured in the democratic management of SSE organizations and matured by the period of training in claim-making environments, pressure groups, social movements and local/territorial arenas, under the aegis of democratic governance.

3. Final remarks

As explained in this entry, democracy in SSE organizations is present in the set of participatory management processes which emphasize cooperation, conversation, dialogue, discussion, debate and claim as the imperative values of planning and implementing collective and public decisions. These decisions should be oriented towards solving demands and achieving the purposes of SSE organizations, not limiting their performance by utilitarian rationality. The SSE organizations should also not restrict their actions to the standards of market economic regulation, and not reduce their political role in civil society to the compliance of social and environmental responsibility. Furthermore, participation and democratic governance practices in SSE organizations are a constant process of conquests, losses, learning and redefinitions. This is also how, in SSE organizations, the democratic management mode strengthens active and deliberative citizenship towards the spaces of a public sphere.

In turn, risks arising from democratic participation and management in SSE organizations also exist. For example, there is the possibility of cooptation of individuals, members and influential leaders by the managers, coordinators, and directors of SSE organizations (Hoarau and Laville 2013). There is also the possibility, in more fluid management, to overvalue a leader who coordinates an activity or to grant too much power to the manager (see the entry "SSE and co-optation, isomorphism and instrumentalization"). In addition, there will always be the challenge to overcome the inherent slower speed of decision-making processes in participatory arenas. As Arnstein (1969) mentioned in her seminal paper, there are adverse conditions in which the practice of citizen participation can be manipulated or used as validation.

Therefore, it is necessary that members of SSE organizations be vigilant around such dysfunctions of democratic management processes. These risks and challenges should not be used as arguments to prevent achieving democracy and participation in SSE. On the contrary, it is important to acknowledge them, so that individuals, groups, and collectives within SSE organizations can safeguard themselves in all processes, stages, and levels of implementation of democratic governance and deliberative citizenship.

Finally, as mentioned previously in this entry, democratic management, democratic governance, and deliberative citizenship in SSE, with their practices and their conceptual characteristics and components, can be identified under other terminologies, but with

close definitions and attributes. The closest terms are self-management (Lee and Edmondson 2017), associative governance (Hoarau and Laville 2013), management of associations (Bernet et al. 2016), social management (Cançado, Tenório and Pereira 2019, Eynaud and França Filho 2019), and shared and participatory local governance (Amaro 2018).

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