

## **Cooperation and Solidarity:**

*An evaluative examination of the experience of two grassroots alternatives to  
Neoliberal Globalization and Capitalism – COLIBRIS and EcoLuzia.*

*by*

Dhaval Chadha  
Independent Study Project  
Spring 2007.

Project Adviser: Katia Aparecida (Secretariat of Work, Employment,  
Income and Sport and Superintendence of Solidarity Economics at the  
Government of Bahia, Brazil).

School for International Training  
CSA – Brazil – Northeast.

## Table of Contents

<u>Abstract</u>	5
<u>Personal/Professional Motivations for choice of Research Topic</u>	6
<u>Importance of Research</u>	7
<u>Location of Research</u>	7
<u>Methodology</u>	8
<u>Introduction</u>	10
<b>CHAPTER 1 Critique of Neoliberal Globalization and Capitalism</b>	12
<u>What is Neoliberalism?</u>	12
<u>What is Globalization?</u>	13
<u>What is Capitalism?</u>	14
<b><i>Critique of Neoliberal Globalization:</i></b>	15
<u>Theory versus practice</u>	16
<u>Homogenization</u>	17
<u>Neoliberalism in the First World</u>	17
<b><i>Critique of Capitalism:</i></b>	18
<u>Marxist Critique</u>	18
<u>Moral and Ecological Critiques</u>	21
<u>Foucaussian Critique</u>	22
<b>CHAPTER 2 – Literature Review: Thinking about alternatives</b>	24
<u>What is an economy?</u>	24
<b><u>Parecon:</u></b>	25
<u>Economic Values</u>	26
<b><u>Solidarity Economy</u></b>	27
<u>How the combination of Parecon and Solidarity Economics battle the main problems of neoliberal globalization and capitalism.</u>	32
<u>What is a solidarity economy – the perspective of Katia Aparecida</u>	33

<b>CHAPTER 3 Descriptive and Evaluative Analysis of COLIBRIS</b>	<b>35</b>
<u>What is COLIBRIS and how does it work?</u>	35
<u>What does solidarity economy mean to the members?</u>	37
<u>COLIBRIS in the broader context of Solidarity Economies in Brazil</u>	38
<u>How COLIBRIS is different from any other job</u>	39
<u>Bairro da Paz</u>	41
<u>COLIBRIS and Parecon</u>	43
<u>Economic features that COLIBRIS shares with Participatory Economics</u>	43
<u>How COLIBRIS differs from Parecon economically</u>	43
<u>COLIBRIS and Solidarity Economics</u>	43
<u>In what respects COLIBRIS is an example of a Solidarity Economy</u>	43
<u>Key features of solidarity economy that are missing from COLIBRIS</u>	44
<u>How COLIBRIS addresses the problems of capitalism and neoliberal globalization</u>	44
<b>CHAPTER 4 Descriptive and Evaluative Analysis of EcoLuzia</b>	<b>46</b>
<u>The community of Santa Luzia</u>	46
<u>What is EcoLuzia – How does it work?</u>	46
<u>Selection of the members of the organs of EcoLuzia</u>	47
<u>Organs of EcoLuzia – CDS, AM, Community Bank, Community Market, Youth Group</u>	48
<u>What does solidarity economy mean to the members – CDS, Community Bank, Community Market, Youth Group</u>	53
<u>How things have changed since the arrival of EcoLuzia and the formation of the various groups</u>	54
<u>EcoLuzia and Parecon</u>	56
<u>Why it is difficult to apply the economic model of Parecon to EcoLuzia</u>	56
<u>Elements of Parecon seen in Santa Luzia</u>	56
<u>How EcoLuzia differs from Parecon</u>	56
<u>EcoLuzia and Solidarity Economics</u>	57
<u>In what respects EcoLuzia is an example of a Solidarity Economy</u>	57

<i>Key features of solidarity economy that are missing from EcoLuzia</i>	57
<u><i>How EcoLuzia addresses the problems of capitalism and neoliberal globalization</i></u>	58
<u>Evaluative Remarks and Conclusion</u>	60
<u>Glossary of Portuguese terms</u>	62
<u>Bibliography</u>	63
<u>Appendices</u>	65

## Abstract

Neoliberal globalization has come under a lot of strong criticism in recent years, especially from countries which have suffered from the implementation of structural adjustment policies and the establishment of free trade agencies. It has been argued that neoliberalism widens wealth gaps, causes cultural homogenization and is pushing the planet towards an ecological crisis. The capitalist system has been historically criticized by a number of people, most notably Karl Marx for its tendency to exploit workers and by many others for the ability of certain actors within it to accumulate large amounts of wealth at the expense of others. This paper explores alternatives to capitalism and the experience of two movements in the city of Salvador, Brazil that are resisting neoliberal globalization. The central questions I ask are in what ways do the organizations - COLIBRIS and EcoLuzia (in the community of Santa Luzia), resemble a *solidarity economy* and in what ways do they seek to solve the problems associated with neoliberal globalization and capitalism by being having an alternate system of organization?

I conducted this research with the help of theoretical models of solidarity economics and Michael Albert's participatory economics and interviews with members of COLIBRIS and residents of Santa Luzia. I found that COLIBRIS is a *cooperative* workplace which produces hand bags and sandals that resembles a solidarity economy in many ways even though it is not an entire economy, and successfully deals with most of the problems that I raise in my critique of neoliberal globalization and capitalism. EcoLuzia is more in the nascent stage and as yet serves more of an education, politically empowerment and social mobilization function. However, these elements are crucial in the definition of solidarity economy. EcoLuzia addresses many of the problems I raise in my critique as well although it was more difficult to analyze as an economy because it does not have a production and distribution element. The experience of these two communities, especially when considered together, offers models for others that would like to see the positive changes experienced at COLIBRIS and Santa Luzia.

### Personal/Professional Motivations for choice of Research Topic

I often debate with my friends about neo-liberalism and the role that it plays in the world today. I grew up in a rapidly modernizing India and so I come from a vastly different background than most of my US American friends for whom the dominance of the existing economic super-structure and its persistence are foregone conclusions. For me however, Western-capitalist society is not a model that should be implemented universally and I want to explore the possibilities of radical subjectivity and the reasons for the rise of capitalism as a privileged and often unquestioned discourse.

There are many reasons why globalization, neoliberalism and capitalism are increasingly unpopular among certain groups of people around the world: the globalizing neoliberal project has proved itself to be a necessarily neoimperial project by causing cultural dilution and large scale conformity; it has brought limited benefits to limited numbers while the poorest sections of society in the world have only suffered deleterious effects and this is just the tip of the iceberg. In addition to the immense loss that is being caused by global homogenization, I am faced with statistics such as the fact that the top twenty percent of people in Brazil hold 33 times as much wealth as the bottom twenty percent. There are many statistics to prove that global wealth inequality has grown under capitalism and the urgency for alternate systems, especially local ones has been greatly felt in the northeast of Brazil among many other parts of the world.

My motivation for engaging in thought and debate like this often stems from what I see as imposing systems of knowledge that seek to subjugate others. Foucault's *Power/Knowledge* lectures, and Nietzsche's thoughts on *the will to power* have definitely made a difference to how I think, as have events in the world since the onset of colonialism. Structural adjustment is

just one example of the perpetuation of injustice based on the belief in an objectively existent mode of distribution. For these reasons, I am interested in alternative systems of economics and the organization of societies that are based on different values and seek to liberate people and promote solidarity among them.

#### Importance of Research

I hope that this paper will help provide some perspective to the increasingly hegemonic superstructure of the world by bringing forth the experience movements of resistance to neoliberal globalization and capitalism. More than anywhere else in the world, people in the United States need gain perspective on global economics and its alternatives.

#### Location of Research

I conducted all the research in the Metropolitan Region of the city of Salvador, Bahia in Brazil. COLIBRIS was based in the neighbourhood of Bairro da Paz off one of the main roads called Avenida Paralela. Santa Luzia was in the periphery of the city, past the airport and near the town of Simões Filho. The Center of Administration of Bahia was also off Avenida Paralela and close to Bairro da Paz.

### Methodology

The methodology used in this study was fairly simple. The literature review consists of a critique of the global economic superstructure of neoliberal capitalist globalization which points to the necessity of thinking of alternate systems, and the elaboration of some of these alternatives. I then researched existing alternatives to this system and evaluate them within the theoretical framework that I provided. The research consisted mostly of subject interviews with people that are a part of these resistances to hegemony and are part of the solidarity economy movement in Brazil.

I identified my first local contact, Katia Aparecida through the website of the Brazilian Forum for Solidarity Economies. I knew that the state of Bahia had more solidarity economy movements than any other part of Brazil and since she was the local representative, I knew that she would be a key person to get in touch with. Through her, I came into contact with the cooperatives COOPERTEXTIL and COLIBRIS and the project of EcoLuzia in Santa Luzia. I had one main contact at COOPERTEXTIL – Ricardo, and at COLIBRIS – Djalma who introduced me to other members and the physical environment of these cooperatives. For COOPERTEXTIL, I interviewed almost every member of the cooperative (5 out of 8 members). At COLIBRIS, I interviewed the General Director and 5 other members (of a total of 16).

In Santa Luzia however, I had to the key informants in Santa Luzia that I would be interviewing. After my first two visits there one of which included a meeting of the group that heads the solidarity economy initiative there (the Center for the Development of Solidarity), and having attended a talk about EcoLuzia, I decided to interview 2 members of CDS, the two people that run the community bank, and the two people that run the community market and



Esdras and Professor Genauto Carvalho de França Filho. Eventually, I decided that I would interview a member of the youth group as well.

The interviews at COOPERTEXTIL were one on one interviews in the room where they work. While I had a questionnaire<sup>1</sup> that I was using as a guideline, I did not stick to it very strictly and let the interview take its own course if it needed to while making sure that by the end of it, all the important questions that I needed to ask were asked and answered<sup>2</sup>. The interviews at COLIBRIS included two one on one meetings with Djalma and a long interview with many of the members present. Again, it was not a very formal interview. At Santa Luzia, I interviewed the members of CDS individually, one member of the community bank, the two members of the market together and one member of the youth group. Unfortunately, my scheduled interviews with the other member of the bank, Professor Genauto and Esdras fell through. I also interviewed Katia more formally about her understanding and thoughts on the concept of Solidarity Economy.

The final write-up consists of an introduction, a critique of neoliberal globalization and capitalism which shows why thinking of alternatives is important, a literature review with theoretical models of alternatives, the description of the alternatives including *how* and *why* they are alternatives, and then an evaluation of the alternatives based on the theoretical models and against the problems raised in the critique.

---

<sup>1</sup>See appendix.

<sup>2</sup>Also, this monograph limits itself to the experience of COLIBRIS and Santa Luzia. I decided not to include COOPERTEXTIL.

## INTRODUCTION

The neoliberal doctrine and its globalization have come under strong criticism in recent years. Critics argue that it “produces poverty, ill health, shortened life spans, reduced quality of life, and ecological collapse,”<sup>3</sup> that it has “inexorably transferred wealth from the poor to the rich... increased inequality both within and between nations... remunerated capital to the detriment of labor.”<sup>4</sup> It is undeniable that there has been economic growth and significant advances in health and medicine in most parts of the world in the past few decades, but the benefits of these have unfortunately only been seen by privileged sections of the society while inequality has been steadily growing. Capitalism as an economic system that forms the basis of the neoliberal doctrine is necessarily implicated in the above attacks, but finds historical criticisms independent of neoliberalism, most notably from the sociologist, economist and philosopher Karl Marx.

This paper is concerned with the question of whether an alternative system of economics exists that is able to solve the problems that critics see with capitalism. I first offer a theoretical exposition of Michael Albert's theory of *participatory economics* and then an explanation of the idea of *solidarity economics* which has been gaining a lot of ground in the world today and finds its modern roots in Brazil and the third World Social of Porto Alegre. Both of these alternatives seek to define what a society based on solidarity, cooperation and participation would look like, instead of the neoliberal focus on self-interest and competition.

I then present research findings of the experiences of two resistance movements that exist in the city of Salvador, Bahia in northeastern Brazil. The first, COLIBRIS is a *cooperative* that

---

<sup>3</sup>Albert 4

<sup>4</sup>George 18

seeks to overcome some of the problems caused by capitalism in the workplace by attempting to provide workers with dignity and equality in their jobs. The second is the community of Santa Luzia where the implementation of solidarity economic methods and values do not yet include cooperative work but are instead focused on the empowerment of the people and uniting them to struggle for justice. Both of these movements call themselves solidarity economies and are linked to the Secretariat of Work, Employment, Income and Sport (Setre) and the Superintendence of Solidarity Economy (Sesol) which are both agencies of the Government of Bahia.

Finally, I evaluate the experience of these groups with the theoretical models I provide to see what elements of solidarity economics they put into practice and whether they can be called solidarity economies.

## CHAPTER 1

### **Critique of Neoliberal Globalization and Capitalism**

Before a more detailed look at the criticisms, it is important to define what exactly I mean by neoliberalism, globalization and capitalism.

#### *What is Neoliberalism?*

Neoliberalism refers collectively to the economic policies of the Washington Consensus which are based largely on the economic theory of Adam Smith. The Washington Consensus was a term given by Institute for International Economics economist John Williamson, to the set of policies that were gaining popularity among the International Monetary Fund, the World Bank and other similar policy groups in Washington DC in the late 1980s. These ideas are a revisiting of Smith's model of liberalism and the free market which were developed in the 18<sup>th</sup> century, and for this reason are referred to as *neoliberalism*. It has been argued that the Washington Consensus and the revival of Adam Smith's ideas resulted from the need for a new and more stable global economic and political order, but that its primary concerns were profit and the search for new markets for rapidly increasing productive capacity in the developed world rather than any sort of egalitarian interest.<sup>5</sup> Noam Chomsky claims that “the “principal architects” of the neoliberal “Washington Consensus” are the masters of the private economy, mainly huge corporations that control much of the international economy and have the means to dominate policy formation as well as the structuring of thought and opinions.”<sup>6</sup> Martinez and Garcia provide a critical framework for looking at what they call the basic principles of the

---

<sup>5</sup>Almeida 4

<sup>6</sup>Chomsky

neoliberal system:

1. The rule of the market: Distribution is decided by the free market where individuals act in self interest. The belief is that this leads to the most efficient outcomes. International trade is open and free with freedom of movement of goods, capital and services.
2. Cutting public expenditure for social services since these services are believed to be inefficient.
3. Deregulation of all sectors of the economy.
4. Privatization of state owned enterprises
5. Eliminating the concepts of community and public good.<sup>7</sup>

Thus, neoliberalism refers to the belief that if all actors in the global economy act in their individual self interest, and there are no barriers to the movement of anything, then the market will lead to the most efficient outcome of goods and services.

#### What is Globalization?

Globalization has a number of different definitions that include: inter-cultural exchange, the spreading of ideas and information across the world, and the interaction of people from remote parts of the globe. However, for the purposes of this study, the term *globalization* must be understood as referring to the spread of the neoliberal doctrine and its results and associated features around the world; “a shorthand way of referring to a set of profound material changes that have increasingly impacted upon relations between societies in the last few decades.”<sup>8</sup>

Globalization cannot be taken as a unitary process but the complex situation that has resulted in

---

<sup>7</sup>Martinez and Garcia

<sup>8</sup>Gibney 2

a large degree of homogenization in the way countries and their people live and support themselves.

### *What is Capitalism?*

Finally, *capitalism* is a system of economics that is based on private ownership of the means of production, the free market and individual profit-seeking interest. It is a system that has “corporate divisions of labor”<sup>9</sup> and allows for the accumulation of wealth in the hands of a few. This aspect of the capitalist system allows classes such as land owners and landless laborers to arise. A tiered class structure affects the decision making capacities of people placing some people more in charge than others. In addition, the capitalist system sees labor as a commodity and the surplus value of labor is appropriated by the owners of capital.

Capitalism is also defined by the constant expansion of production, reinvestment of capital where the limiting factor of the growth of production is the market and how much can be sold. A more elaborate description of the basic principles of capitalism is presented later.

### ***Critique of Neoliberal Globalization:***

Of course, there is no lack of evidence to back critics up on their attacks against neoliberal globalization. As the United Nations Development Program's Human Development Report (HDR) 2003 shows, the only part of the world where the number of people living in extreme poverty reduced during the 1990s was East Asia, while the number of extremely poor people rose in Sub-Saharan Africa “where an additional 74 million people, the population of the Philippines, ended the decade in extreme poverty.”

---

<sup>9</sup>Albert 8

**TABLE 2.3**  
**Changes in the share and number of people living on \$1 a day have been uneven**

Region	Percentage		Number	
	1990	1999	1990	1999
Sub-Saharan Africa	47.4	49.0	241	315
East Asia and the Pacific	30.5	15.6	486	279
Excluding China	24.2	10.6	110	57
South Asia	45.0	36.6	506	488
Latin America and the Caribbean	11.0	11.1	48	57
Central and Eastern Europe and the CIS <sup>a</sup>	6.8	20.3	31	97
Middle East and North Africa	2.1	2.2	5	6
Total <sup>b</sup>	29.6	23.2	1,292	1,169
Excluding China	28.5	25.0	917	945

a. Changes measured using the \$2 a day poverty line, which is considered a more appropriate extreme poverty line for Central and Eastern Europe and the CIS.

b. Data are based on the \$1 a day poverty line for all regions.

Source: World Bank 2002f.

In the year 2002, billionaires in the world held a collective US\$ 1.54 trillion in assets while in the year 1998, 1.2 billion people were living on less than US\$ 1 a day.<sup>10</sup> In the first year of NAFTA, the North American Free Trade Alliance, one of the best examples of the implementation of neoliberal policy, wages in Mexico declined 40 – 50% while the cost of living rose by 80%<sup>11</sup> and by the second year, food consumption had fallen by 30%.<sup>12</sup> In 1965, the North-South differential was 30:1 while in 1999 it had reached 70:1<sup>13</sup>, and the 3 richest people in the world have a greater collective fortune than the GDP of the 48 poorest countries.<sup>14</sup>

Malnutrition affected 450 million people in 1985 and 800 million people in 1996 according to the Food Agriculture Organization (FAO).<sup>15</sup> Food is being denied to more and more people in the world because resources such as land are being used to produce luxury products, prices

<sup>10</sup>Almeida 1

<sup>11</sup>Almeida 8

<sup>12</sup>Shiva 93

<sup>13</sup>George 19

<sup>14</sup>George 19

<sup>15</sup>Shiva 92

of food are rising and small farmers are being eliminated by modern technology – these people become subject to forced imports once their livelihood is destroyed and Shiva wonders why free trade is not instead referred to *forced trade*. Indeed, a look at the HDR shows that excluding China, food insecurity has been rising in developing countries.



Shiva argues that the two main problems with the neoliberal discourse are its “naturalization”, the argument that neoliberal globalization is inevitable and *natural*; and the “dissociation of civil and economic rights” whereby freedom of speech and other such rights have gained immediacy over rights such as freedom from hunger. She points to the fact that the core rights in the United Nations' Universal Declaration of Human Rights were the right to social security, the right to work and protection against unemployment, the right to health, food, clothing, and housing and that some of these seem to no longer be important.<sup>16</sup>

Theory versus practice

Chomsky also points to the fact that the free market doctrine comes in two different forms

---

<sup>16</sup>Shiva 88



where one is the official version imposed on third-world economies which are often in debt, and the other is the real functional version in which the dominant economies do not themselves comply with the recommendations of the doctrine: “market discipline is good for you but not for me.”<sup>17</sup> This inequality of implementation policy has been a key feature of neoliberalism since its conception and bears evidence to the degree of domination and control infused with it.

### Homogenization

Another fault of neoliberalism that critics point to is its tendency to homogenize populations which results in large scale loss of cultural diversity. Not only does its economic system come with an implied set of values, including self-interest and profit-seeking, that might be completely foreign to the region in question, but it also treats countries as if they are “entities with common interests and values”<sup>18</sup> that can be dealt with collectively.

### Neoliberalism in the First World

Since the 18<sup>th</sup> century, only two regions outside of Western Europe really developed: “the US and Japan – that is, the two regions that escaped European colonization.”<sup>19</sup> A quick look at the economic history shows that while both these countries are advocates of and models of the neoliberal model., their growth resulted from very different practices. The United States first started growing as a result of a high degree of protectionism (the exact opposite of theoretical neoliberalism) – high tariffs in its cotton trade to protect itself against competition from Egypt and India and that the other Japan “rejected the “neoliberal” doctrines of their US advisers, choosing instead a form of industrial policy that assigned a predominant role to the state.”<sup>20</sup>

---

<sup>17</sup>Chomsky

<sup>18</sup>Chomsky

<sup>19</sup>Chomsky

<sup>20</sup>Chomsky

It is also interesting to note that neoliberalism has had, and continues to have adverse effects in the parts of the world that are considered to be models of its exemplary performance. The Asian Tigers lapsed into economic crises in the late nineties and continued to witness “IMF suicides”: workers killing themselves in Korea and Thailand because of growing unemployment after the boom of the Asian Tigers when the reality of competition sunk in again.<sup>21</sup> In the United States as well, neoliberal doctrine has been working to disable welfare and social security, downsizing unions and reducing labour rights and also cutting expenditure on social programs.<sup>22</sup> Indeed the majority of the population of the United States has seen a decline in income during the 1990s, and inequality is higher than it has been in over 70 years.<sup>23</sup>

### *Critique of Capitalism:*

Capitalism and neoliberalism are intimately linked entities, especially in the context of hegemony and globalization. Yet, it is important to recognize that capitalism has theoretical and practical dimensions that are not fully addressed by an analysis of its neoliberal aspects and that a critique of the capitalist system independent of neoliberalism is very pertinent to this study. This critique encompasses a Marxist critique as well as a humanist and ecological critique.

### Marxist Critique

Marx's critique of capitalism is one of the lengthiest and most famous but for my purposes here, I am going to limit myself to the examination of his concepts of alienation and

---

<sup>21</sup>George 22

<sup>22</sup>Almeida 8

<sup>23</sup>Chomsky

exploitation.

Marx argued that human beings have a “capacity for freely creative cooperative production,”<sup>24</sup> and that we are most human when we creatively express ourselves in our work. When this capacity is denied to human beings, a condition of *alienation* arises, where an alienated activity is any “activity performed for merely instrumental reasons.”<sup>25</sup> In the capitalist system, the worker is alienated from four things: from the object of his production, from the process of production, from his own self, and from other people. When an object is produced by a worker purely because it has a sale-value, then “the object produced by labor, its product, now stands opposed to it as an alien being, as a power independent of the producer.”<sup>26</sup> Marx further asserts that if the object of production is alienated, the process of production must be alienated too. Furthermore, in producing something that is not an expression of his self, the worker denies himself and thus his relationship to his work is as something hateful and outside of himself. His labor is alienated and his work becomes “as an activity which is directed against himself, independent of him and not belonging to him.”<sup>27</sup> Finally, men in a capitalist system confront other men the way that they confront themselves and in being alienated from themselves, they cannot help but be alienated from others. The assertion is that once the production process takes control over the worker rather than worker maintaining control over the process of production, alienation necessarily arises. Such a situation is inevitable in a capitalist society where privately owned property turns men into

---

<sup>24</sup>Kymlicka 190

<sup>25</sup>Van Parijs, Phillippe

instruments and their labor into a commodity: “wage-labor alienates us from our most important capacity, because it turns the worker’s labor-power into a mere commodity the disposition of which is under someone else’s control.”<sup>28</sup>

In *Das Kapital*, Marx argues that workers are exploited in a capitalist system because they do not own the surplus value of their production and that an increasing amount of value is extracted from them. He says that the value of a produced good contains the value transferred to it by the value of the raw materials, ie, the means of production and the value added by the labour that is objectified in the production of a good. In the capitalist system, the owners of the means of production seek to extract excess value from labour by paying it the same wages while increasing the amount of time worked. If a worker works for R\$ 5 an hour for 6 hours a day, the value of the labour-power is R\$ 30. The capitalist now provides the labour with a machine that doubles his productivity, so that while the worker is still paid R\$ 30 for the day, his labour-power produces the equivalent of R\$ 60 since his productivity has been doubled. Furthermore, the capitalist seeks to make the worker work for 12 hours a day instead of six at the same pay. The worker is still paid R\$ 30, but is producing a value of R\$ 120: his labor-power “reproduces the equivalent of its own value and produces an excess.”<sup>28</sup> Marx argues that the daily working hours of an individual are limited by physical boundaries as well as the need for social and intellectual indulgences. Under the capitalist system however, the worker is made to work longer and longer hours so that the maximum amount of surplus value can be

---

<sup>26</sup>Marx, *Early Writings* 122

<sup>27</sup>Marx, *Early Writings* 126

<sup>28</sup>Marx, *Kapital* 31

extracted by the capitalist. Such a condition in which labor does not own its surplus value and is made to work unreasonable amounts is called a state of exploitation and considered to be an essential feature of the capitalist economy.

### *Moral and Ecological Critiques*

The humanist and ecological critique takes issue with the fundamental values that the capitalist system is based on and the kind of society that it produces as a result. These values are those of self-interest and competition, and consumerism that lead to the formation of a competitive and individualist society with never ending demands and on a permanent quest for new markets with no respect for the environment or for the ability of future generations to meet their needs.

The first of these objections is to the ethical and moral system that capitalism is built upon. Self-interest and competition are seen as values that break the moral fiber that ties society together instead of strengthening bonds between the community. Workers are seen as commodities that are bought and sold and the value of human beings is often reduced to monetary terms.

The ecological critique is a result of the observation that the capitalist concern with growth is blind to the speed at which human beings are using up what are more than apparently finite resources while simultaneously doing irreversible damage to the environment.

the gradual exhaustion of some fossil fuels caused by the great demand in a few greedy countries, species extinction because of tropical deforestation, the CO<sub>2</sub> buildup in the atmosphere and its hypothetical effects on climate change, acid rain, accidents in nuclear power plants, and the absence of a technical solution for the disposal of radioactive waste – all such issues were discussed at least 50 years ago, and some, 100 years ago. Lack of awareness of them is “socially constructed ignorance”<sup>29</sup>

Neoliberal globalization depends precisely on the existence of the ignorant consumer and actors

within it continue to cause the above problems for the short term goal of profit, “the idea that corporations can contribute to sustainable development is remote”<sup>30</sup> because it is not in their short-term interest to worry about sustainability or the environment.

### Foucaussian Critique

Michel Foucault's ideas of *power* and *knowledge* and what he considers their inherent link, provides an interesting framework for looking at the neo-imperialist nature of the capitalist discourse. Foucault argues that knowledge is inherently linked to power and that the existence of a power relation implies the “constitution of a field of knowledge,” the same way the existence of knowledge necessitates the preexistence of power relationships and therefore of dominance.<sup>31</sup> Furthermore, Foucault emphasizes that it is important to understand that power is essential in the maintenance of the global class structure and relations of productions that facilitate relations of dominance.<sup>32</sup> Finally, power should be understood as decentralized and not concentrated in one individual or one group's hands. Instead, it functions through a network and through this subtle exertion, there necessarily evolves a system of knowledge that supersedes to the position of being a dominant discourse.<sup>33</sup>

Since knowledge is constituted by the dominance of a discourse of power, parallel discourses are discounted and come to be *subjugated*. Indeed “a whole set of knowledges that have been disqualified as inadequate to their task or insufficiently elaborated” come to be run over and buried under the force of the privileged discourse.<sup>34</sup>

How this translates into our discussion on neoliberal globalization is simple. The neoliberal

---

<sup>29</sup>O'Connor 31

<sup>30</sup>Lehman 223

<sup>31</sup>Foucault 27

<sup>32</sup>Foucault P/K 88

discourse can be seen as the dominant discourse by evidence of its rapid growth and ability to homogenize societies and cultures around the world. Applying Foucault, this implies not only the subjugation and dilution of many popular knowledges, but also the existence of power relations and a class structure that perpetuates dominance.

Fortunately, the last couple of decades have produced a rising awareness of this dominance and the dominant discourse is becoming more and more subject to criticism from various quarters and its inability to defend itself in the face of some of these critiques has been effective in undermining it to a large degree. With the reemergence of these local, subjugated and culturally specific knowledges criticism is finally becoming alive and effective in its attempt to empower people and end the dominance of the privileged discourse. Foucault wishes to see the assertion of such popular knowledges against a “unitary body of theory which would filter, hierarchise and order them in the name of some true knowledge and some arbitrary idea of what constitutes a science and its objects.”<sup>35</sup>

---

<sup>33</sup>Foucault P/K 98, 102

<sup>34</sup>Foucault P/K 81

<sup>35</sup>Foucault P/K 83

## CHAPTER 2 – Literature Review

### **Thinking about alternatives**

The existence of a dominant discourse also implies the existence of subjugated knowledges and alternate discourses. While their liberation is an end in itself since it symbolizes the equalization of power, having seen evidence of the performance of capitalism, their content is important too. Two contemporary models that becoming increasingly popular as emancipating alternatives to capitalism are *Participatory Economics* and *Solidarity Economics*.

#### What is an economy?

However, before we begin to speak of what an alternative to the seemingly problematic system of capitalism would look like, it is important to define what exactly is meant by the word *economy*. An economy is essentially the system of production, distribution and consumption of wealth, resources, goods and services in a society. In Part 1: Values and Institutions of his book *Parecon*, Michael Albert provides a good outline of the key features that help distinguish economies from one another. It must be understood that this first analysis is an economic analysis and that any system of production and distribution will be inextricably linked with a host of other societal conditions including beliefs, values and culture. The main features as identified by Albert are:

- 1.The system of ownership: Is property owned privately, by the state, by no one or is there a system of patrimony?
- 2.Synchronization: How are production and consumption balanced?
- 3.Division of labor: Are responsibilities divided differently among people? What, if any, is the system of hierarchy?
- 4.Renumeration: Is remuneration on the basis of the output of the capital or property that an



individual owns, the individual output of each individual, the bargaining power of individuals, the effort put in by an individual or on the basis of assessed need?

5. Decision-making power: Who makes the decisions in the society? Is decision-making power divided on the basis of who is the most informed, the type of work one does, majority, specific natures and limitations of individuals or a combination of any of these?<sup>36</sup>

**Parecon:**

On the basis of this, Capitalism is an economic system with “private ownership, market allocation, corporate division of labor, remuneration for property, power, and output, and capitalist class domination of decision-making.”<sup>37</sup> In contrast, Albert's proposed system of *parecon* is described below:

- 1.The workplace is owned equally by all the people that work there so that no special status is conferred upon anyone.
- 2.Decisions would be made by a democratic council of workers and consumers, with preference given to the interest of those affected most by specific decisions.
- 3.Each member has a balanced job complex that involves specific duties and responsibilities and is equally empowered as every other member. Albert argues that balanced job complexes remove class divisions and universalize the access to knowledge and its benefits.
- 4.Remuneration is based on effort and sacrifice, not inborn talent, skill, tools, capital distribution and pricing. Central-planning subverts self-management, and a competitive market subverts solidarity.<sup>38</sup>

Economies can also be studied on the basis of class structure which is usually a result of

---

<sup>36</sup>Albert 20-23

<sup>37</sup>Albert 24

differential ownership of the means of production. The greater the differentials, the more divided the society is, such as in capitalism, whereas if ownership is very similar, then class divisions are less important.

### Economic Values

The above analysis of economies is simply a descriptive one that leaves a lot to be desired. Even a purely theoretical analysis requires us to ask what *values* an economy is based on. The questions that should be asked to get a better understanding of what the underlying beliefs of the economic system are, are the following:

1. Equity: How are resources divided? How much should people get and why?
2. Self-management: What kind of say over their conditions should people have?
3. Diversity: Should paths to fulfillment be diversified or narrowed?
4. Solidarity: Should people cooperate or compete?<sup>39</sup>

The world's experience with global capitalism points to the following answers:

1. There is no system of equity. Individual actors act on their self-interest, and buying power and consumer choices control market allocation.
2. Democracy usually accompanies capitalism but a Foucaussian analysis shows that the very existence of the Washington Consensus, the worldwide implementation of structural adjustment by the IMF and the World Bank and the consequent spread of the neoliberal *discourse* necessitates the existence of global structures of power and domination.
3. It has become increasingly clear that any number of diverse paths to fulfillment that can be

---

<sup>38</sup>Albert 9-12

<sup>39</sup>Albert 28

pursued within the highly specialized capitalist economy are inextricably linked to profit-seeking and self-interest. As mentioned earlier, neoliberal globalization has shown a tendency to homogenize every region that it has significantly affected.

4. The underlying principle of the free-market economy is that competition produces efficiency of allocation.

As compared with this, the system of participatory economics advocated by Albert is based on the following values:

1. Remuneration is according to the effort and personal sacrifice put in by each individual.
2. Decision-making power is divided on the basis of how much the decision affects the involved parties. Thus, some people always have more of a say over certain outcomes, but only those outcomes that affect them more than other people.
3. Parecon favours diversity and is indeed largely based on the conviction that people should be empowered enough to be able to pursue diverse goals.
4. This system is based on the cooperation of members rather than competition.<sup>40</sup>

In sum, *Parecon* is a system of economics that is based on equity, sustainability, solidarity, democracy, self-management and freedom.

### **Solidarity Economy**

The idea of *solidarity economy* has no specific starting point and cannot be traced to any one thinker or society. Instead, it refers to a number of different and sometimes isolated

movements and communities that have economies that are organized around a very different principle than that of neoliberalism:

Its defining idea is that economic relations should foster solidarity among participants rather than causing participants to operate against one another's interests. Not only should economic life not divide and oppose people, it should not even be neutral on this score but should generate mutuality and empathy. Advocates of solidarity economics thus pursue ideas of local worker's controls and of allocative exchange with this norm in mind<sup>41</sup>

Solidarity economies around the world can be divided into those communities that have always been so historically, and others that have felt the need to bring dynamic change following an encounter with neoliberal globalization or other economies that did not cultivate collectivism. They can also be divided into those that actually exist within the broader context of capitalist nations, and those that are national or global, but as yet theoretical alternatives. My study is concerned with movements of resistance that have arisen recently within capitalist nations,<sup>42</sup> and exist as local, but not isolated, grassroots movements.

For Ethan Miller, the term solidarity economy refers to a system of “interconnected and diverse ways of generating our livelihoods that encourage and embody practices of solidarity... that resists the colonizing power of the individualistic, competitive, and exploitative Economy of Empire.”<sup>43</sup> This economy differs from capitalism and state-socialism because it starts at a grassroots level with the existing practices of people rather than with a grand theory of

---

<sup>40</sup>Albert 28-41

<sup>41</sup>Albert 15

<sup>42</sup>It is for this reason that I do not provide the full model proposed by Michael Albert in his book *Parecon* which includes suggestions of international organization and synchronization.

economics. Rather than making broad prescriptions, it is based in the freedom and autonomy of local communities and in their ability to pursue paths of their own choice and construction.

The following criteria are a summary of Reyes and Santiago's fundamental principles of a solidarity economy.<sup>44</sup> Some of the aspects have been deliberately left out because they do not apply to the very local context of my study, and others have been consolidated.

While collective work does not necessarily mean that there is collective *possession* of land and other resources, it does mean the collective *maintenance* of resources.

It involves the introduction of technologies that increase the possibility of procuring more resources for the community, together with economic initiatives that seek to “generate community-based resources in line with autonomy of communities.”

The degree of this *autonomy* also requires that the community's local language, culture, customs, traditions and other practices be protected in a way that maintains the prestige of the community. Furthermore, the unique experience of every community is recognized as a prerequisite to their sovereignty in making decisions.

Collective work is linked to the organization of the community and to the idea of justice implied by cooperation.

---

<sup>43</sup>Miller

<sup>44</sup> <http://www.globalexchange.org/countries/americas/mexico/ppp/desmi.html>

Fundamental to the solidarity economy is an educational element that seeks to teach people how to deal with their problems and attempts to mobilize and motivate them.

Participation in the political process is of key importance.

Economic development is inextricable from politics and political consciousness. It is fundamental to “understand that social practice is part of a process of liberation, created from a social subject, toward the consolidation of a solidarity economy that permits the clarification of its position in front of socio-political challenges and also contributes to the formation and training of its members toward the creation of a new society.”

While local solutions for marginalized communities are of key importance, it is also important to “understand everything within the global society, within the framework of love.” It must be understood that local problems are the result of global structures and that other similar marginalized communities exist and the exchange of information and knowledge is essential.

Ethan Miller provides the following as the key components of solidarity economy –

- 1.Unity-in-diversity

- 2.Shared power (as opposed to power-over)

3. Autonomy (always both individual and collective)

4. Communication (horizontal, not top-down)

5. Cooperation and mutual-aid (shared struggle)

6. Local rootedness, global inter-connection<sup>45</sup>

Finally, the idea of solidarity economy also includes “ethical consumption, women’s initiatives, community and ecological agriculture, social money, ethical financing, fair trade, community services, appropriate and democratized technology and social forms of ownership and management of assets and of developmental activities” and acts as a “strong tool of empowerment and social change that starts from the initiatives of responsible citizens that want to keep control of the way they are producing, consuming, saving, investing, exchanging.”<sup>46</sup>

In Michael Albert’s framework, solidarity economy shares most of the values that form the basis for participatory economics. While there is no specific criteria for remuneration, work is cooperative and justice is based on the ethical principles of cooperation and solidarity; and participation in the decisions that affect the community and the community’s autonomy are both fundamental aspects. Reyes and Santiago’s description of the solidarity economy is not restricted to purely economic aspects but includes many other aspects of the superstructure as

---

<sup>45</sup>Miller

<sup>46</sup>Reintjas

well.

*How the combination of Parecon and Solidarity Economics battle the main problems of neoliberal globalization and capitalism.*

Before showing how these problems are overcome, here is a short summary of the problems that I pointed to –

1. The Foucaultian analysis of power and knowledge suggests that the existence of a homogenizing discourse or a naturalized hegemony of any kind implies the existence of power relations and domination.
2. Inequality and the accumulation of wealth.
3. The Marxist critique – alienation and exploitation.
4. Moral and Ecological Critique – breakdown of community bonds; and disrespect for the environment and the sustainability of economic practices.

The first problem is solved by achieving self-determination and self-management the members of a community or economy. If people are able to have a fair say in the decisions that affect their life, are allowed to pursue a diverse set of goals and are able to protect their cultures, traditions and value systems, then heterogeneous paths to fulfillment should arise



through the normalization of power imbalances.

The second problem is partially solved by valuing all effort equally instead of discrepancies in remuneration and remuneration based on the private capital of an individual. As long as the alternative economies being spoken of are local solutions within the context of a capitalist nation, the issues of private property and ownership are more difficult to address.

Alienation can be overcome if the work the individual does is not for instrumental reasons but harnesses his or her creative energy; where the worker is not bound by wage-labour. Exploitation on the other hand is overcome when the worker possesses the surplus value of his or her labor.

An economy based on cooperation and solidarity necessarily reinforces these values and give rise to better connected and supportive communities. Both solidarity economics and participatory economics include respect for the environment and sustainable practice in their fundamental principles and at least in theory seek to act towards these goals.

#### *What is a solidarity economy – the perspective of Katia Aparecida*

Katia, solidarity economy has a much more practical definition owing to her direct involvement with solidarity initiatives for a few years, including the very successful cooperative COOPAED of which she is a co-founder. She started by saying that it is “an alternative for the unemployed and disempowered sections of our society.” She said that it was in inclusive system that raises consciousness, educates people and brings value to their lives. The most important element in the solidarity economy is that it values human life and the condition of being human. In addition, for Katia the country Brazil and the protection of the “history and culture of communities” is also central. It is a system that allows one to produce

and sell things while maintaining one's dignity and without making money the focus of attention.

Solidarity economies empower through meetings in which commercial, political, legal and environmental issues are discussed and members share knowledge and educate each other about these topics. This helps develop members' "awareness, credibility, self-esteem and ability to act." Meetings address issues of globalization and the negative effects it has on workers especially in the third world and they encourage members to consume intelligently and not support exploitative corporations such as McDonald's and Monsanto: "this *intelligent consumption* helps the environment and labor not just within our community but outside as well."

Members of the community take decisions together because everyone is an equal owner and equal member. Sometimes this takes a long time because it is difficult to achieve a consensus, but that consensus is more important than the delay. This promotes the degree of control that people have over their lives. Through constant dialogue, people get to know each other and this builds solidarity and community and empowers people against injustice by providing them with an additional support system which is not just economic independence but also an emotional support group. In sum, "it is a system that valued not *what* was produced, but *who* produced it."

## CHAPTER 3

### **Descriptive and Evaluative Analysis of COLIBRIS**

#### *What is COLIBRIS and how does it work?*

COLIBRIS is a cooperative that produces sandals and handbags. There are 16 members that work there. This is the third year of existence of the organization and that it is divided into 5 groups in a neighbourhood called Bairro da Paz. These 5 cooperatives are somewhat self-contained and are organized on the basis of what they produced. There is one group that produces percussion instruments, one that produces “couros”, an artisan group, one that makes sandals and hand bags and one that works with sergrafia (printing on t-shirts). I only researched the group that produces sandals and hand-bags. It functions out of a room which has a number of sewing machines, foot mannequins with sandals being made on them and other materials strewn about.

Initially, COLIBRIS started as a vocational training institute for people from the community to help them develop marketable skills with the help of which they could seek employment in the formal economy. It was only after a year that COLIBRIS became a cooperative and split into the 5 groups that I mentioned earlier. Now the philosophy behind the group is to help protect people's culture and to improve their material standard of living. Unfortunately, the situation is such that jobs and a steady income are the most important things to most people. They have accepted the reality of living within a capitalist economy and have a defeatist attitude. People look at cooperatives as short term solutions and stepping stones instead of looking at them as sustainable solutions to the problems in their lives. COLIBRIS has financial support from PetroBras (a large petroleum company that is owned partially by the government and partially by private investors in Brazil that supports many social initiatives)

which helps pay for renting some workplaces, telephones and their water supply among other things.

### *Ownership*

Apart from the workplace, COLIBRIS is not a physically distinct space, but is located within the neighborhood of Bairro da Paz. They have some land where they might construct houses in the future, but as of now, property rights are still governed by the Brazilian capitalist economy. The workplace is collectively owned which means that if it was ever to be sold, the members of COLIBRIS would collectively select another movement or cooperative to whom all the property would be donated.

PetroBras invested in the materials and machines that they use. Upstairs is the connected project of Citizenship of Peace and downstairs the main COLIBRIS centre. PetroBras pays the rent and the electricity and phone bills. The machines belong to the cooperative collectively and cannot be sold by COLIBRIS.

### *Production and Allocation*

Each of the 5 groups produces something specific and every person participates within the group. They divide profits after subtracting a certain amount to be invested the next time for new materials. Usually, after they have sold their products, they calculate the cost and about 30% of the profits go to paying the cost (if its less or more, it gets adjusted against future costs) and about 70% is equally divided. Profits are divided on the basis of hours worked – there is a log book to clock hours worked.

### *Self-management/Decision-making*

There is a directing group with a General Coordinator, representatives from PetroBras and the professors of the capoeira and theatre groups that make most of the bigger decisions that concern all the cooperatives and all the initiatives that PetroBras has in Bairro da Paz.

Within the cooperative there is a directorate which has a General Director, an Administrative Director, a Financial director, and a council. Everyone knows everything about the finances of the organization. Every person has an equal vote in all decisions. It does not matter if a certain section of the cooperative is affected more by the decision – each member has the same say over everything. Like everywhere in Brazil, women in the Bairro da Paz are fighting for equality too. However, within the cooperative, everyone is respected. If someone doesn't agree with a decision that is about to be made, then we cannot proceed. Every person – man or woman, has an equally important vote and things only move forward if we have a unanimous consensus. COLIBRIS has a participatory budget which is also based on a vote.

We are waiting for our building (literally, “*espaco*” = space) to be constructed and then we can have more inclusive meetings there. The issue of self-management (*auto-gestão*) is still in the nascent stage and that the two major obstacles that they are facing are that people do not take enough ownership of the activities of COLIBRIS to feel like what they have to say actually matters, and that a physical space to conduct large meetings with direct representation is still under construction.

### *What does solidarity economy mean to the members?*

The first question I asked every member of the groups I was researching, was what *solidarity economy* means to them. I wanted to know what kind of understanding people had of the fact that they were in an alternate system of production and distribution.

I got a variety of different opinions at COLIBRIS. One subject interviewed described it as “a system where everyone has rights and a voice and this is what makes it different from capitalism where you are constantly subjugated” and as being a system that offers *you* the opportunity to improve your life. Another subject told me that it refers to “a group of people that come together and work together because they do not have enough money to start a company of their own.” A couple of people said that solidarity economy refers to a working condition where there is no boss that makes all the profit, but instead people cooperate and divide profits. In addition, people said that unlike the formal economy, they could easily get a job within a solidarity economy. Finally, one subject said that to him, solidarity economy meant doing things together – where the same people “produce, manage, administer and divide things.”

#### *COLIBRIS in the broader context of Solidarity Economies in Brazil*

The idea of solidarity economy has developed only recently in Brazil – starting in the 1970s and is still weak and fragile, especially in the northeast of the country (the south has some of the most talked about examples of solidarity economy including the participatory budget of Porto Alegre).

The process of transformation is a slow process because people are still located within the capitalist system. This makes it difficult to address all the aspects of solidarity economy because the cooperative is not an isolated environment but has constant contact with contrary value systems.

The members of COLIBRIS also do a lot of networking with other cooperatives and solidarity economy movements and sympathizers in Brazil. This was understood as an essential part of the movement because sometimes, people that share the same opinions and

values are spatially dispersed and the movement grows and gains strength when movements join hands to share information and ideas. “While it is weak, it is based on the values of solidarity, equity and community and that is what we are committed to and that is why people work with us.” COLIBRIS is a part of the Brazilian Forum for Solidarity Economies (FBES) and this is a great source of knowledge about the experience of others. Proponents of solidarity economy, especially academics and important members of pioneer movements visit various communities around the country promoting these ideas. In the same way, members of COLIBRIS go out to UFBA and attend seminars and meetings to talk about their experience and to garner support for their struggle, because sitting around and waiting for things to happen is useless – one must mobilize and find help to fight “the cruel capitalist market and find an alternative to its violence.”

*How COLIBRIS is different than a regular job?*

I also asked all the members of the groups I researched how they thought that being a part of a cooperative or being part of a solidarity economy initiative is different from a regular job or how their life used to be. These were the main differences that subjects pointed to in COLIBRIS –

Working for COLIBRIS has meant that they have learned a new skilled and gained new knowledge about making sandals and handbags instead of continuing as unskilled and undifferentiated labour in the capitalist economy. Having learnt a new and artistic skill, they take pride in their work and unlike their earlier jobs, working with COLIBRIS means something to them.

One subject said that he “realised the value of helping others and working together” and has “a support network” here. Another said that “the cooperation in the workplace translates into cooperation in our private lives. We all live close by and our relationships are not restricted to meeting each other at work. Since working together like this, our relationships outside have also improved a lot. The people here have a vision – a collective vision, not an individual one; to live and breathe as one.”

In addition to learning how to make bags and sandals, they also learn a lot in the meetings<sup>47</sup>. These meetings pass information about their rights and the law, especially those rights that are being denied to them and that they could be fighting for. They also talk about gender equality and the importance of education and such issues. For instance, “in one meeting, we learned that it is a crime to refuse payment in change. We are poor people and we collect our coins and now we know that we can actually use them anywhere we want instead of having people turn us away with our plastic bags of coins.”

Towards the end of one collective interview, one of the individuals took charge a little and tried to explain things to me. I chose not to interrupt him because I felt as though he might have been feeling restricted by the pace and formality of the interview and instead let him talk freely. This is what he had to say –

“We value “ser humano” and do not care if you are homosexual or a woman or of a different colour. We have no prejudices and we do not discriminate. Helping others, cooperating and

---

<sup>47</sup>These meetings range from meetings of just the group to educational sessions with professor from UFBA as well as meetings where they share information with other cooperatives – As I found out later, Esdras, Djalma and Ricardo all



recognizing the value of each individual are principles that have inherent value that needs no justification. Unlike machines, humans learn, improve and can love and it is important for us to value that. Since I have been working here, my life has changed completely. I used to have a *normal* life, but now I have a certain quality of life and I value my life and my life is valued.” He then picked up a sandal and pointed to it saying – “this is not a sandal made by a machine but is something that represents 16 people, the labour of 16 people.”

### *Bairro da Paz*

Many people told me that Bairro da Paz is the poorest neighbourhood in Salvador and while I have no data to know whether that is true, it was definitely a very poor neighbourhood, although some parts of it were quite developed. About an hour and a half by bus from the centre of town, Bairro da Paz is just off one of the biggest roads in Salvador – Avenida Paralela. It is built on hilly land, as are many favelas in Salvador since sloping land is much cheaper than flat land and most the streets/paths are unpaved. This is a major problem when it rains, especially for sloping paths because they become extremely hard to navigate and cause flooding in certain parts. There was some trash thrown around on the streets, but Djalma said that this problem had improved a lot in the past few years because a government truck comes by 3 times a week to pick up trash now.

Bairro da Paz is a neighbourhood that dates back to 1982. There is violence there, there are drugs there, but there are also many people that work hard and work for social change. For instance, Bairro da Paz has more crèches than any neighbourhood in Salvador. Unfortunately,

---

know each other a little bit from having attended meetings together.

it holds a very bad reputation in the city but people are doing things to change that<sup>48</sup>.

NOTE: At this point, he took out a newspaper from his bag and showed me an article in the Diário Oficial<sup>49</sup> from a few weeks ago. The article was about the pioneer efforts of COLIBRIS and a couple of other cooperatives in mobilizing people in low income neighbourhoods to fight for their rights. He told me that this article was a matter of great pride for them at COLIBRIS and for the neighbourhood of Bairro da Paz. He then continued talking and said the following –

There are also training centres for dance, capoeira, theatre, painting and percussion. These projects are connected to COLIBRIS because they are also funded by PetroBras.

- x -

From the research findings presented above, it is clear that COLIBRIS is not a self-contained economy, but rather a cooperative with an alternative work-environment. As such, it cannot be evaluated on every criterion of participatory economics and solidarity economics. However, it is most definitely an alternative to capitalism. In addition to the above explanation of how COLIBRIS functions and how it is different from any other job in the Brazilian economy that subjects might have pursued, the following is a comparative analysis of COLIBRIS with participatory economics and solidarity economics, and a look at how it addresses a number of the problems associated with neoliberalism and capitalism that I raise in Chapter 1.

---

<sup>48</sup>My experience corroborates this statement – almost every person that I told that I was doing research in Bairro da Paz told me to be careful, to not carry my cell phone and to not be there after dark. One 24 year old woman that was renting a room in the same apartment as I made the hand gesture of a gun and made a joke about how Paz means peace but that Bairro da Paz is a very violent place.

### COLIBRIS and Parecon

#### *Economic features that COLIBRIS shares with Participatory Economics*

1. Remuneration in COLIBRIS is based on the same principle as that of Parecon – the effort put in by each individual.
2. COLIBRIS like Parecon, is based on cooperation rather than competition since profits are divided equally among and production is collective.
3. Collective ownership of the workplace.

#### *How COLIBRIS differs from Parecon economically*

1. Unlike Parecon where decision making power is based on how much the decision affects the concerned parties, every member of COLIBRIS has an equal vote on every issue.
2. There is no scope for the analysis of COLIBRIS as an economic system that promotes diverse paths to fulfilment since everyone performs essentially identical tasks in the workplace which is the limited domain of COLIBRIS.

### COLIBRIS and Solidarity Economics

#### *In what respects COLIBRIS is an example of a Solidarity Economy*

1. COLIBRIS is based on the fundamental principles of solidarity economics – it fosters solidarity, cooperation and mutual aid and attempts to resist competition and individualism.
2. The maintenance of resources and their administration is collective in COLIBRIS.
3. People are rewarded on the basis of effort and every form of effort is valued equally.
4. There is a heavy emphasis on the education and mobilization of people.

---

<sup>49</sup>One of the bigger newspapers in Salvador.

5. Political consciousness is raised through meetings and seminars and events that members attend.

*Key features of solidarity economy that are missing from COLIBRIS*

1. While power is shared equally by the members through what essentially is a veto power, some members of COLIBRIS are certainly more outspoken and dominant than others. In addition, there is a directing group<sup>50</sup> of with a board that includes a General Director and representatives from PetroBras that makes decisions for all of the initiatives in Bairro da Paz which in turn have an effect on COLIBRIS. Also, the lack of a physical space means that most initial deliberations take place without the presence of every member although they are voted on before any decisions are made. Thus, power is shared more or less equally within the cooperative considered as an isolated system, but in reality COLIBRIS remains subject to outside forces.
2. While communication is mostly horizontal, there is also top-down communication from the directorate.

*How COLIBRIS addresses the problems of capitalism and neoliberal globalization*

1. Within Foucault's framework of power and knowledge, COLIBRIS bears testament to the empowerment of its members by being a system that exists in resistance to the privileged and homogenizing discourse of neoliberalism and within the capitalist economy of Brazil.
2. While COLIBRIS is based on the principle of equal distribution of profits, there is no income data to conduct a quantitative analysis of the income levels and wealth distribution of the members of COLIBRIS before and after they became a part of the cooperative. In addition,

outside of the workplace the members of COLIBRIS exist within the capitalist economy and therefore have opportunities for the accumulation of wealth. As such, it is difficult to comment on what COLIBRIS does to promote egalitarianism since it is only one sphere of the members' lives.

3.The greatest success achieved by COLIBRIS is in overcoming the problems raised by the Marxist critique. Most of the members of COLIBRIS work there precisely to engage in free, cooperative and creative work rather than working for purely instrumental reasons in jobs that they are alienated from. They take pride in their work, and at least one member said that the products that they produce embody the creative production and cooperation of all the 16 members of the group. There is no capitalist that controls the means of production or appropriates surplus value from the workers. They choose their work ours and remunerated accordingly. They are thus neither alienated nor exploited in the Marxist sense.

4.COLIBRIS also does well in the face of the moral critique. Rather than breaking down community bonds and contributing to individualism, the members of COLIBRIS said that cooperation in the workplace translates into cooperation in the private sphere and that their relationships with each other have improved and that there is a new support structure of mutual help that they can rely on. Since COLIBRIS is a cooperative of 16 people rather than an economy, there is little to be said about their ecological footprint. However, it is important to note that their meetings address environmental issues, especially the correct disposal of trash and waste.

---

<sup>50</sup>It must be noted that the members of the directorate are chosen by a direct vote for a period of 2 years.

## CHAPTER 4

### **Descriptive and Evaluative analysis of EcoLuzia at Santa Luzia**

#### *The community of Santa Luzia*

Santa Luzia is a small community in a rural setting about 1.5 hours from central Salvador by car and 2.5 hours by bus and moto-taxi. While Santa Luzia is not directly connected to Salvador by the transport system, there is a minibus that connects the neighbouring town of Simões Filho to Santa Luzia. However, it has no specific hours of operation. There are 89 families and about 350 habitants that live there. 49.40% drink untreated water because none of the houses have running water. Of the 90 people there that have had some kind of schooling, only 18 have more education than 2<sup>nd</sup> grade. 39.30% do not have a sanitary toilet facility. 95.5% of the families spend their money outside the community since there are no markets or services within the community which means that there is no reinvestment and last year, R\$ 34,365.68 was spent outside the community.

Based entirely on the two sides of an unpaved road that runs through it, it has a primary school but I did not see any medical facility. There seemed to be a lot of construction going on and the site of the community market was pointed out to me. There were a couple of cars and trucks that clearly do not work anymore that have become a part of the visual landscape. At the far end of the village, a railway line runs through.

#### *What is EcoLuzia – How does it work?*

EcoLuzia consists of 9 groups. The biggest of these is the Association of Residents which is open to every member of the community. The head group is the Center for the Development of Solidarity (CDS) which has members from the community and students as well as professors

from the University. The other groups are the Community Bank, the Youth Group, the Community Market, the Algae-culture group, the Community Medicine project, the Project of Construction and Learning and the Escola Oficina.

Currently, there are a number of people in the community that work outside and the hope of EcoLuzia is to have an *empreendimento* that every member of the community can be involved with. The ideas of solidarity economy have only been around for 2 years in Santa Luzia and as yet there are no cooperatives or the ideas of collective ownership and cooperation versus competition. Property in the village is not communally owned. The solidarity economy practices of EcoLuzia are more concerned with organization, administration, building awareness in the community and mobilizing its members, and generating incomes to improve the standard of life of people within the community.

The main problems/issues that the organization has to deal with are –

1. low degree of community mobilization
2. lack of leadership
3. low degree of legitimacy
4. the necessity to integrate diverse areas of knowledge

#### *Selection of the members of the organs of EcoLuzia*

This was not a simple process at all. It all started when the NGO EcoLuzia and people such as Joaquim de Melo Neto Segundo from Banco Palmas and Professor Genauto Carvalho de França Filho started visiting and giving lectures and conducting seminars about solidarity economy. “Most people did not pay attention to then but some of us started listening and

participating.” The members who are a part of CDS or who work at the community bank or market, were members who attended meetings and took courses about solidarity economy and social activism and got trained in these aspects and are thus more knowledgeable about the theory and practice of solidarity economy.

### *Organs of EcoLuzia*

#### *CDS*

CDS is mainly involved with education and forms the link between PetroBras functionaries and the Association of Residents. They educate people about work and its value and the people have the power to approach CDS whenever they want and with whatever issue that they want to bring up.

#### *Associação dos Moradores*

The Association of Residents is essentially an open group of which every person living in Santa Luzia is a default member. It has a directorate with the following positions of power – President, Vice President, 1<sup>st</sup> and 2<sup>nd</sup> Secretaries, Treasurer, Social Director, Coordinator and a Director for recreation and sports. These people are all chosen by a vote by the community for a term of 2 years. The Association meets as a closed group (the directorate) as well as with the entire community to deliberate. If someone disagrees with a certain decision, then there is another vote and another meeting until unanimity is achieved. These decisions do not usually take too long because most decisions are in the interest of everyone in the community and since there are so few people and their general interests are aligned almost perfectly, unanimity is not very difficult to achieve.



*Banco Comunitário*

The community bank is run by two people, but at least a hundred people in the community have already used it and it has apparently been influential in improving the standard of living in Santa Luzia.<sup>51</sup> The Community Bank essentially provides loans and support to the people. It issues its own currency that can only be used within Santa Luzia – this is called the *moeda social* (social currency).

*Functioning of the bank –*

The bank gives three types of loans – for consumption, for production and for reform or reconstruction of houses. All loans can be repaid in installments and the structure for loans, interest and periods of repayment is as follows –

For Consumption:

<i>Value</i>	<i>Interest</i>	<i>Deadline for repayment</i>
Till R\$ 100.00	0.00%	1 month
Till R\$ 150.00	1.00%	2 months

For Production:

<i>Value</i>	<i>Interest</i>	<i>Deadline for repayment</i>
--------------	-----------------	-------------------------------

---

<sup>51</sup>Unfortunately though, there is no data to support this claim.

Till R\$ 200.00	1.50%	4 months
Till R\$ 350.00	2.00%	6 months
Till R\$ 500.00	2.50%	8 months

For Reform/Reconstruction of houses:

<i>Value</i>	<i>Interest</i>	<i>Deadline for repayment</i>
Till 300.000	1.50%	6 months

Consumo (for consumption) –If someone does not have enough money to buy something, the bank lends them money. However, this loan is in the social currency which is only circulated within Santa Luzia so that while people can meet their needs they are also making sure that wealth stays within the community – money is reinvested/circulates in the community instead of leaving.

Produção (for production) – When people do not have enough money to invest in a venture or for the next harvest, they can come to the community bank for a loan. They are expected to present a viable plan of investment for the loan – for instance, “we would not fund a project in May for plants that do not grow in the winter.”<sup>52</sup> If someone's project fails and they are unable to repay, the personnel of the bank listen to the explanations, go to the site and if they assess that the debtor had no real agency in the failure and that the loss of the money was out of their

control, the person can come back to the bank with a new plan and if it is considered viable, they issue a new loan – we give people full consideration instead of just blacklisting them.

Reforma (for reform/reconstruction) – These loans are for construction/painting of the house etc. and all that is asked for is a budget.

### *Mercadinho comunitário*

There are essentially 3 people working in the market which operates within the community of Santa Luzia. The products are things bought outside the community and sold there.

### *Why is it a “community market?”*

It is a community market because it is within the community and serves its needs and because it provides for the needs of the people without worrying about profits.. It is a community market because it is close by – the members do not have to depend on the infrequent minibus to buy things in Simões Filho; and because it is cheap – earlier, people within Santa Luzia would sell things at a huge mark-up because alternatives in Simões Filho were far away and because the bus there and back costs money too. There is no individual owner of the market – the community owns the market and the profits are invested in refrigerators and other things for the market itself or to buy the things that are sold there. No one makes profits. PetroBras contributes R\$200 a month to buy goods and to cover costs, and the profits made the previous month are used to augment this money. Both the people working there are volunteers – they are not salaried.

---

<sup>52</sup>The Brazilian winter is usually May-August.

There used to be a card that stood for R\$50 that you could buy or take as a loan at the bank and exchange for R\$50 worth of goods at the market. Now, there is the currency which you can use at other shops in the community as well as for the local bus and at the bakery. This means that you can buy whatever you need at the market even if you do not have money at the time. Since shops in Simões Filho will not sell anything to you unless you have money, this means that money stays within the community instead of being spent outside. This currency circulates within the community and will soon be introduced in the neighbouring communities of Mapele and Cotergipe too.

### *Youth Group*

The Youth Group is composed of 12 adolescents from the community and has no directorate or leadership structure. Any of the members can bring issues or ideas to the table which they then discuss and vote on.

The group speaks about the situation of the community and how it can be improved. They talk of capacity building and visions for the future. They study social activism and stress the fact that unity is strength. The member I interviewed told me that “since the formation of the Association, the community has a much louder voice and more strength than the isolated efforts of individuals”

The students also work towards introducing technology and information in the community. As an example of the strength of numbers, the youth group managed to get a donation of two computers for the community from a company last year which would not have been possible if one person had gone there alone. They succeeded because they “went as a group of adolescents

seeking to learn and improve the condition of [their] community. The youth group is also educating itself about recycling and plan to introduce it in Santa Luzia in the near future. Last November, they hosted a “day of sports and games” where there was a party for children, soccer games and bingo for women. This was a solidarity and community building exercise that was a great success and is going to become an annual event.

### What does solidarity economy mean to the members?

#### CDS

Solidarity economy is a system of economy in which people work together and of which everyone is a part. It means justice for everyone and it fights against inequality. “It gives an opportunity to have your labour and self be valued without having any grand academic qualifications”, and is a place where people believe in each other's abilities and ideas and support each other in collective growth and development. It is a system in which people united together to increase the welfare of all.

#### Community Bank

“Solidarity economy signifies the mobilization and improvement of the conditions of the lowest class of people.” Unlike in capitalism, we are constantly fighting against injustice, against the concentration of power, against self-interest, and *for* equality.

#### Community Market

One subject said that solidarity economy means that income is for the community and kept within the community instead of being spent outside. To another, it means “living and working together and investing within the community.” It is a system which educates people about their

rights and their ability as social actors and which offers every member the chance to participate in meetings as well as the tools to understand their conditions of life and the possibilities for improvement.

### Youth Group

The member of the youth group that I interviewed said that solidarity economy is a kind of socialism in which everyone shares benefits instead of working under a single exploitative individual that appropriates all the profits.

### *How things have changed since the arrival of EcoLuzia and the formation of the various groups spoken about above –*

Overall, the people that I interviewed seem very confident and have a lot of faith in solidarity economy, the way that they each understand it personally. They feel more aware and empowered and are thinking about things that they never thought about before and have started believing in themselves and each other. They are more aware of their political and civil rights and owing to the development of their self-esteem through participation in political and decision making processes, they are more mobilized and have been fighting for the provision of the rights which have been historically denied to them.

### Examples of incidents of mobilization of the community in the past two years –

1. The first was when there was talk of the introduction of basic sanitation in every house at no cost to the community. While this might have been a well-intentioned idea, a lot of the houses in Santa Luzia are made of plastic and cardboard and other recycled materials and so did not have the conditions to receive the proposed sanitation. The Association called

meetings and explained the situation to the community and mobilized them to reject the installation and have that money used in other ways instead.

2. The second instance was the proposal for the construction of 50 new houses for residents of Santa Luzia in the nearby town of Mapele at the cost of an international donor organization called RDM. Again, the Association helped represent the people's voice and argued that in a community of 83 families, extracting 50 would mean the end of the community.

Example of people fighting for rights that they were not even aware of earlier –

People learned during one meeting that it is the municipality's responsibility to collect trash from every neighborhood three times a week, but no one used to come to Santa Luzia. The members of the community presented their demand for this service and now a truck comes by 3 times a week.

The community is currently fighting for the improvement of transportation to and from Santa Luzia, treated water, a health facility and paving of the road. There are 23 houses under construction (instead of the proposed 50 in Mapele) which will be the first in Santa Luzia's history of about a hundred years with full sanitation and running water. People are more united today towards a common objective. Unity is strength and people are realizing the importance of solidarity.

“We are sure that things will change – it is one thing to know what your rights are and another to actually have them” and EcoLuzia is helping them move along in this direction.

As with COLIBRIS, it must be understood that the community although geographically distinct, is not a self-contained economy and some elements of the theories of participatory economics and solidarity economics do not apply to it at all. Indeed, EcoLuzia is more a community empowering project than an alternative economy and incorporates more of the non-economic aspects and values of solidarity economics than the economic ones.

### *EcoLuzia and Parecon*

*Why it is difficult to apply the economic model of Parecon to EcoLuzia –*

1. There is no system of remuneration different from that of capitalism because the solidarity economy groups in Santa Luzia are not engaged in production of any kind.
2. Since there is no production associated with EcoLuzia, there is no scope for evaluating whether it is cooperative or competitive

### *Elements of Parecon seen in Santa Luzia*

Ownership is based on capitalist principles of private property for the most part, but the community bank and the community market belong to the community and not to any individual.

### *How EcoLuzia differs from Parecon –*

Decision making power is based on a veto power that each resident has since everyone is a default member of the Association of Residents. Furthermore, CDS is the head organization which has closed meetings and thus more power.



## *EcoLuzia and Solidarity Economics*

### *In what respects EcoLuzia is an example of a Solidarity Economy*

1. While there is no production process based on solidarity or cooperation, these values are promoted by the organs of EcoLuzia. The Community Bank and Community Market encourage investment within the community and provide the residents with what they need without worrying about profit so that trust and mutual aid are values that are promoted in the community. The Youth Group organizes community building events.
2. The Community Market is an example of the collective maintenance of resources. The property as well as all profits and investments made there belong to the community.
3. The groups introduce new technologies that help increase the resources of the people that live there. Examples of these are refrigerators in the Community Market, and the two computers procured by the Youth Group.
4. The Association of Residents promotes autonomy for the community, evidenced by its ability to change significant decisions.<sup>53</sup>
5. Education and mobilization of the members of the community are central to the functioning of EcoLuzia and important issues are presented at the meetings of the Association of Residents and people are given the opportunity to participate in seminars and attend lectures at UFBA.
6. The Association also helps raise political consciousness and divide power among the members of the community.

### *Key features of solidarity economy that are missing from EcoLuzia*

1. Cooperative production that promotes solidarity and equity.

2.As with COLIBRIS, while communication is mostly horizontal, there is also top-down communication from CDS.

*How EcoLuzia addresses the problems of capitalism and neoliberal globalization*

- 1.The Foucaussian problem of dominance is being slowly dealt with as more and more members of the community of Santa Luzia become involved with EcoLuzia and reject the hegemonic discourse.
- 2.The issue of inequality and the accumulation of wealth remains has a long way to go in Santa Luzia since the community does not have an alternate system of production. However, to be poor in Santa Luzia is increasingly different from being marginalized and without food as people are in the capitalist system owing to the bank and the market which provide for the people's needs even if they are unable to pay immediately. Many of the people I interviewed told me that this had greatly improved the situation for a lot of people in Santa Luzia.
- 3.Without an alternative workplace, the Marxist issues remain to be addressed, although EcoLuzia is planning to introduce a number of cooperatives in the village until everyone can find a place to work where they are valued equally.
- 4.While there is a long way to go still, EcoLuzia is fundamentally trying to improve relations among the community and their material standard of living of all the residents. It attempts to promote community bonds through various methods including the activities organised by the Youth Group and by encouraging people to participate in the political process and to look after the environment. Through the force of the Association which was mobilized by CDS, they were able to get the trash truck to come by three times a week like it is supposed

---

<sup>53</sup>Refer to examples above.

to to collect trash. Finally, the Youth Group is currently talking about introducing recycling in the village.

## EVALUATIVE REMARKS AND CONCLUSION

The grassroots movements of COLIBRIS and Santa Luzia have limited resources and a limited scope but have been able to achieve a significant degree of success. They are not fully developed self-contained solidarity economies, but they have both been able to bring positive changes to their members' lives: COLIBRIS has done so more in the workplace and EcoLuzia more in the area of empowerment. Indeed, combining these two models would be extremely powerful. They retain most of the key features of solidarity economy that are part of the theoretical model that I provide, and some features of Michael Albert's participatory economics model too. They are most definitely resistance movements to capitalism and an alternate way of local organization.

It was interesting to note that most of the subjects I interviewed understood the idea of solidarity economy in a very local and personal context. Rather than gravitating towards these movements because of global injustice and a fundamental and theoretical disagreement with the values of capitalist society, COLIBRIS and EcoLuzia provided proximate solutions to the most pressing problems in their lives. These problems, which include mistreatment or exploitation with regular jobs and the occasional or frequent inability to afford basic necessities are more immediate and understandably more important to the urban poor than a concern for global change. However, it would be a grave academic failure to dismiss the opinion of these subjects by saying that they are not fully aware of what the movement that they are a part of is and that they might as a result be acting on *false consciousness*, making uninformed decisions or were easily swayed by rhetoric from COLIBRIS or EcoLuzia owing to their vulnerability. In fact, each member has full consciousness of his or her situation and more important than any theoretical understanding of the idea of solidarity economy is the practical experience of each

individual and the real problems that they are faced with in their lives. In addition, the ability of COLIBRIS and EcoLuzia to address these issues in a significant manner shows that the people that they seek to emancipate are at the forefront of their concerns and it is the latter's struggles that they are engaged in.

## GLOSSARY OF PORTUGUESE TERMS

1. Associação dos Moradores – Association of Residents.
2. Auto-gestão – Self-management: an administrative model where the decisions and control of an organization lie with each member equally so that there is direct and collective participation.
3. Banco Comunitário – Community bank
4. Bairro da Paz – Neighborhood in the outskirts of Salvador where COLIBRIS is situated (literally *neighborhood of peace*)
5. Capoeira – Brazilian art-form and form of cultural resistance which includes elements of martial arts and dance, which was brought to Brazil by African slaves during Portuguese colonization.
6. Empreendimento – A company, entity or institution.
7. Favela – While there is no longer specific description for the word favela, it is a term used to describe low-income neighborhoods in Brazilian cities. Usually, these neighborhoods have temporary construction and limited access to running water and sanitation.
8. Mercadinho Comunitário – Community market.
9. PetroBras – PetroBras is a semi-public Brazilian oil company.
10. Sergrafia – Printing on t-shirts.
11. Ser humano – Human being. It is generally used in the context of emphasizing the value of human beings rather than money.

## BIBLIOGRAPHY

1. Albert, Michael. *Parecon*. Verso, London 2003.
2. Miller, Ethan. *Solidarity Economics: for Building New Economies from the Bottom-Up and the Inside-Out*. Grassroots Economic Organizing (GEO) Collective. Anti-copyright, February 2004 (revised June 2005) – Language is a commons: these words are free for all to read, copy, distribute, and modify.  
<http://www.geo.coop/SolidarityEconomicsEthanMiller.htm>.
3. Reintjas, Carola. *What is a Solidarity Economy?* Speech at the Life After Capitalism talks at the 3<sup>rd</sup> World Social Forum in Porto Alegre (January 12 -28 2003). Available from Z Magazine / ZNet at <http://www.zmag.org/carolase.htm>
4. Lehman, Glen, *Global Accountability and Sustainability: Research Prospects*. Accounting Forum Vol 26 No 3 September 2002, Blackwell Publishing Ltd. 2002.
5. Van Parijs, Phillipe, *A Basic Income for All*, Boston Review -  
<http://www.bostonreview.net/BR25.5/vanparijs.html>
6. Marx, Karl. *Capital, Volume I*. Trans. Ben Fowkes. London: Penguin, 1990.
7. Marx, Karl. *Early Writings*. trans. and ed. by T. B. Bottomore (New York, McGraw-Hill, 1964)
8. Lewis A. Coser, *Masters of Sociological Thought: Ideas in Historical and Social Context, 2nd Ed.*, Fort Worth: Harcourt Brace Jovanovich, Inc., 1977
9. Martinez, Elizabeth and Garcia, Arnold. *What is “Neoliberalism”? – A brief definition for activists.*
10. Chomsky, Noam. *Neoliberalism and Global Order: Doctrine and Reality.*

11. De Almeida, Agamenon T. *Understanding World Capitalism Today.*
12. Brennan, Teresa, *Globalization and its Terrors.* Routledge, London 2003.
13. O'Connor, Martin. *Is Capitalism Sustainable?* The Guilford Press, New York 1994.
14. Susan George *Globalizing Rights?* in *Globalizing Rights: The Oxford Amnesty Lectures 1999.* Edited by Matthew J. Gibney. Oxford University Press, Oxford, 2003.
15. Shiva, Vandana. *Food Rights, Free Trade, and Facism.* in *Globalizing Rights: The Oxford Amnesty Lectures 1999.* Edited by Matthew J. Gibney. Oxford University Press, Oxford, 2003.
16. United Nations Development Program's Human Development Report 2003: Millennium Development Goals: A compact among nations to end human poverty. Published for the United Nations Development Programme (UNDP) New York Oxford Oxford University Press 2003.



## Appendix 1

1. Could you have done this project in the USA? What data or sources were unique to the culture in which you did the project?

While there are many communities around the world that are movements of resistance to neoliberal globalization and have economies that differ from capitalism, my primary interest was in solidarity economics which as a movement has its roots in Brazil. Such groups might be considered neo-communist in the United States and there are definitely no government agencies that support or would support such initiatives there.

2. Could you have done any part of it in the USA? Would the results have been different? How?

I think I could have found cooperatives in the USA and researched them. I think that people there would have been able to answer some theoretical questions better because to live and work in such a community would be a more of a lifestyle choice than it was for the people that I interviewed.

3. Did the process of doing the ISP modify your learning style? How was this different from your previous style and approaches to learning?

Doing the ISP made me more critically aware of the way people talk and convey information and definitely helped improve my skills of learning from people. It also further strengthened my learning style in that I do not lay too much store in learning from a particular source because there are always other opportunities to learn and other things to be done. If a particular interview did not work out, I would go home and read and work on my literature review or do something else.

4. How much of the final monograph is primary data? How much is from secondary sources?

Considering every part of the monograph, a little more than half (around 28-30 pages) is written from primary data and almost half from secondary sources (about 24-26 pages which includes the critique of neoliberalism and the theoretical models). I understand that the proportions should have been more in favor of primary sources than they are in this document. However, given that the amount I wrote from primary sources could not really change, I decided not to shorten the first 2 chapters because that would have taken from the quality of the paper.

5. What criteria did you use to evaluate your data for inclusion in the final monograph? Or how did you decide to exclude certain data?

I included data that I thought was relevant to my research question and on showing why that question is important. I left out one cooperative that I researched because that would have made the monograph much too long.

6. How did the “drop-offs” or field exercises contribute to the process and completion of the ISP?

The drop-off did not contribute at all for me because the organization I was supposed to look up had

shut down. The field exercise on the other hand helped a lot. I learned back then what the best method of keeping a journal was for me, and how to conduct interviews in a way that was satisfactory to me. It was good practice.

7. What part of the FSS most significantly influenced the ISP process?

Practicing my Portuguese, interviewing people and keeping a daily journal were the best parts of the practical preparation. Some of the readings and sessions with Professor Eduardo on ethical research were also very helpful.

8. What were the principal problems you encountered while doing the ISP? Were you able to resolve these and how?

I did not really encounter any problems.

9. Did you experience any time constraints? How could these have been resolved?

Yes. It took a while for me to actually start interviewing people, but this was my own fault because I took a while in choosing which groups I would like to research. However, I think that an extra week would be very helpful to the ISP process because I was not the only person that was clueless for the first week and ended up wasting it.

10. Did your original topic change and evolve as you discovered or did not discover new and different resources? Did the resources available modify or undermine the topic?

My original topic changed to include the theoretical model of participatory economics. That was all. I tried researching the subjective experience of members of the groups but this turned out to be unnecessary and very difficult.

11. How did you go about finding resources: institutions, interviewee, publications, etc.?

After identifying the organizations with my coordinators help, things just fell into place and it was very easy to identify the people I needed to interview.

12. What method(s) did you use? How did you decide to use such method(s)?

Most of my interviews were informal but loosely followed a questionnaire that I had written out because I wanted to make sure that I got answers to the important questions while allowing subjects to talk freely.

13. Comment on your relations with your adviser: indispensable? Occasionally helpful? Not very helpful? At what point was he/she most helpful? Were there cultural differences, which influenced your relationship? A different understanding of educational processes and goals? Was working with the adviser instructional?

My adviser was very helpful whenever I spoke to her, but I limited myself to having her help orient me in the beginning and helping me arrange interviews later on. We had a great understanding and she realized the importance of independence and provided me support whenever I needed it.

14. Did you reach any dead ends? Hypotheses which turned out to be not useful? Interviews or visits that had no application?

The only dead end was with the attempt to investigate subjective experiences and the fact that the data on COOPERTEXTIL was superfluous to my project.

15. What insights did you gain into the culture as a result of doing the ISP, which you might not otherwise have gained?

I do not think I gained specific insights into the culture during the ISP process, especially because I was researching *alternative* communities.

16. Did the ISP process assist your adjustment to the culture? Integration?

I certainly made many friends, especially because everyone within the solidarity economy movement is helpful and supportive and this made integration easier.

17. What were the principal lessons you learned from the ISP process?

How to do field research with time restraints and ethical concerns.

18. If you met a future student who wanted to do this same project, what would be your recommendations to him/her?

Start early and set realistic goals but take some time in choosing groups that resemble what you are interested in researching. Talk to Sandra Magalhães or Joaquim de Melo Neto Segundo at Banco Palmas and Daniel Tygel at FBES for help and suggestions.

19. Given what you know now, would you undertake this, or a similar project again?

Most definitely! In fact, I am going to do very similar research with Banco Palmas this coming week.