

Solidarity Economy News

Building Human Solidarity to Sustain Life

Newsletter No. 5 2013

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Special Issue Editorial

The COPAC team have dedicated this special issue of Solidarity Economy News to the forthcoming and 2nd Solidarity Economy Conference, to be held from the 23-25 August 2013. COPAC has been engaged with grass roots cooperative organising for the past 14 years, but started working on the Solidarity Economy Alternative 5 years ago and over the past 2 ½ years made a call for the building of a national solidarity economy movement. The 1st Solidarity Economy conference gave COPAC a mandate to support and enable the building of a grass roots driven Solidarity Economy Movement (SEM). Through this mandate COPAC has worked with 40 grass roots partner organisations, in 15 township sites and in 6 provinces to advance the SEM. Important pilots have been established, activist tools developed, research conducted, movement building capacities enabled and even theoretical work has been done. The August conference this year provides an opportunity to assess progress, strengthen movement building and advance a strategic way forward to launch the SEM in South Africa. In this special issue we are making available all the documents that would form the basis of deliberation at the conference.

We invite you to engage this conversation through COPACs webpage, facebook page and through emailing us. We also encourage activists and organisations attending the conference to share this newsletter with members, engage in group discussions on its content and come to the conference with informed positions. We look forward to your feedback and to broadening the conversation about the solidarity economy alternative.

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Conference Documents

A Solidarity Society Is A Democratic Eco-socialist Society - Assessment of Strategic Situation and Challenges for the Solidarity Economy Movement

By Vishwas Satgar (Chairperson, COPAC)

1. Introduction

1.1 This document provides a set of strategic perspectives on the global and national balance of forces in the struggle for post-neoliberal alternatives and the solidarity economy. In addition, the document clarifies the politics of the solidarity economy alternative as part of the struggle for Democratic Eco-socialism, the character of the emerging Solidarity Economy Movement (SEM) and the strategic challenges we face to build the SEM from below in South Africa. In short, this document seeks to affirm the strategic left politics of the SEM.

1.2 Without grounding our movement building politics in an understanding of global and national struggles we will lack the capacity to appreciate what we can and can't do, the obstacles and potential that exists and what we require to do to build the SEM from below. Because the SEM is an anti-capitalist and transformative alternative it has to be grounded in a conscious politics and mastery of the terrain on which we are struggling. We cannot build the SEM with militant slogans; we need grounded transformative activism and hard thinking. We must apply our collective intellectual mind and practice to clarify where we are going.

2. The Global Capitalist Crisis Is A Total Crisis of Capitalism

2.1 In response the 1970s over-accumulation crisis, capital and the US-led bloc of Western states embarked on global restructuring through neoliberalisation. This class strategy of transnational capital, particularly its financial fraction, (involving policies of privatisation, liberalisation and deregulation) transformed accumulation models and state forms, with a shift from Fordism to post Fordism, uncoupling of production and finance and reshaping the state as manager of risk to capital and enabler of market led development. This experiment in remaking global capitalism has been with us for over three decades and it has produced a **crisis ridden form of neoliberal capitalism**. As high finance has prevailed over global accumulation and imposed its speculative rationality, the global capitalist economy

has had blow outs and crashing economies: from the Mexican peso crisis (1994), Asian crisis (1997), Brazil and Russia (1998), Dot com (2000), Argentina (2001), 2007-present global crisis. Financialised over-accumulation has marked the crisis tendencies of neoliberal capitalism.

2.2 However, the present crisis with its origins in the US housing market crisis, beginning in 2007, cannot be merely understood as a crisis of financial accumulation or the 'Great Financial Crisis'. Such an understanding merely perpetuates the idea that by merely fixing financial markets the crisis can be overcome. Moreover, this reduces the crises of capitalism to a singular crisis and tends to fuel a simplistic understanding of capitalism: that is capitalism has all the answers or it has always overcome crisis. Actually, such a perspective fails to appreciate the extent to which neoliberal financialisation is not just about speculation in financial markets but is actually a systemic logic driving global accumulation. In other words, the **systemic logic of financialisation** has inter-locked: finance/non-finance sectors, local/global circuits and conjunctural/systemic crisis tendencies. The multiple levels of crises of capitalism today expresses a total crisis of capitalism.

2.3 There are **four levels to the total crisis of neoliberal capitalism**. First, over-accumulation in financial markets, speculative bubbles and busts. Second, systemic spread of financialisation into other sectors of national economies and across different parts of the world. The systemic spread of financialisation has embraced production (for instance, enterprise restructuring), housing and now sovereign debt. It has also devastated those countries that are most deeply adjusted and integrated to the imperatives of neoliberal global capitalism. Third, this is a conjunctural crisis of the neoliberal class project. Its attempts at technocratic management of crisis ridden global capitalism has reached limits, but this does not mean it is being abandoned by global ruling classes. Fourth, neoliberal capitalism with its systemic logic of financialisation has also induced systemic crisis tendencies and a deepening crisis of civilisation. This relates to how the logic of financialisation is undermining conditions necessary



for neoliberal capitalism to reproduce itself and which is grid-locking the conditions necessary to reproduce life on planet earth (human and non-human). This includes the inter-lock of financialised chaos with resource peak (not just oil), climate change, food crises (over a billion people in the world being hungry and 12 million in South Africa) and the securitisation of politics (such that authoritarian and undemocratic state practices are coming to the fore).

2.4 In this context the US-led bloc of forces refuse to abandon neoliberal capitalism. Instead the US is showing increasing signs of being a supremacist force, even under Obama. It does not have the solutions to the crisis of civilisation. The US is increasingly using global surveillance, drone and privatised warfare, militarised relations and disregard even for international human rights standards to get its way. It's leadership is unwilling to confront climate change and instead they are advancing false solutions, techno fixes (carbon trading, geo-engineering etc.) and green neoliberal capitalism (green jobs, green economy and green growth). It is business as usual with nature as a site of capitalist accumulation. In Europe the ruling classes are also defending the neoliberal project and are trying to get the working classes in Greece to pay for the costs of the crisis.

2.5 The challenge to this is not coming from Africa or the BRICS (Brazil, Russia, India, China and South Africa). Instead African ruling classes are continuing their looting as they embrace globalisation and the BRICS are seeking to secure a place within global neoliberal capitalism. It is very likely that China will secure its interests through BRICS and it will be the winner such that it has a powerful place in the IMF, World Bank and the G8/20. South Africa is punching beyond its weight in this relationship and might end up being a vassal state or client of China. South Africa might swing from neoliberal capitalism to authoritarian state capitalism.

3. The Rise of a New Global Left and the Solidarity Economy Alternative

3.1 The counter-hegemonic response to neoliberalised capitalism has come from below and has gone through various phases, in different parts of the world. This cycle of global resistance has been marked by: (i) resistance to neoliberalisation; (ii) advancing strategic institutional alternatives to neoliberalism; and now in a new phase (iii) of overcoming restoration and the total crisis of capitalism.

3.2 The cycle of resistance from below against neoliberalisation has been marked by national struggles such as the *Caracazo* (1989 in Venezuela with outright street based rebellion), the Zapatista opposition to NAFTA (1994), the unemployed in Argentina (2001), indignados in Spain, the US Occupy movement (2011) and anti-austerity street politics in Greece (2011 till the present), the Arab Spring (2011). Moreover, transnational activist struggles through various activist networks such as the World Social Forum, Attac, the World Forum for Alternatives, the Climate Justice Network have all played a role in mobilising transnational left opposition to neoliberalism. This includes against the WTO in 1999, against the World Bank/IMF, the G8, UN Conferences including on climate change and so on.

3.3 Latin America has led the challenge to neoliberalisation initially through social movements and now through strategic post neoliberal projects. This has been uneven and characterised by a plurality of responses. On the one side, are failing neoliberal states like Mexico, Peru, Chile and Columbia that have locked into free trade agreements with the US and have deepened neoliberal integration. On the other side the left institutional response has two broad tendencies. The first is an attempt to give a human face to neoliberalism or advance a more 'social neoliberalism'. This has happened in Lula's Brazil and in Argentina. In both cases there is a greater emphasis on redistribution while maintaining globalised economies locked into export led growth. The second is an outright post-neoliberal challenge from countries like Venezuela, Bolivia and Ecuador. These countries have put forward nationally determined development paths, brought the state back into development, encouraged democratisation from below, increased socialisation of state provisioning in some sectors of the economy and have engaged in alternative forms of regionalisation like promoting the bank of the South, ALBA a regionalisation initiative based on solidarity and cooperation rather than trade and have fostered a Latin American opposition to the expansion of US free trade.

3.4 The Solidarity Economy Alternative has emerged in the midst of the cycle of struggle against neoliberal capitalism. In the World Social Forum movements from across the world have been sharing experiences of advancing and building the solidarity economy alternative, in Brazil social movements are championing the solidarity economy from below (including the unions, garbage collectors, the Landless Peoples Movement etc.), in Argentina

factories were taken over by workers, in the USA the Occupy Movement has made links with the solidarity economy network, in Germany and Greece the solidarity economy is championed by left forces and in South Africa we are poised to launch, expand and consolidate our emerging movement.

4. The Marikana Conjuncture, Rupture in the ZUMA Project and Political Re-alignments

4.1 Despite Zuma being projected as the great hero of the working class, as part of his ascendancy, working class and popular struggle against the ANC's Afro-neoliberal project/ Zuma project has continued. Service delivery protests, struggles against corruption, defending democratic rights (like R2K, against the traditional courts bill and toll roads) and worker struggles (like the Mine-line factory take over) have all continued. The massacre of 36 mine workers on August 16th, 2012, has a political meaning beyond this tragic event. The transport workers strike and working class rebellion it inspired in the Cape winelands all affirm the deepening crisis of the ANC-led alliances neoliberalised national liberation politics and class project. The Marikana conjuncture reflects a rupture in the mass political base of the ANC-led Alliance and the re-alignment of a significant sector of the organised working class. Thus far the main beneficiary of this has been AMCU, the fastest growing independent trade union in post-apartheid South Africa. The Marikana conjuncture also holds out the prospect of realigning class and popular struggles from below in South Africa such that a counter-hegemonic left alternative could emerge.

4.2 The Marikana conjuncture has brought forth serious limits and challenges to the ANC's ZUMA project such that the following responses have come to the fore:

- The ANC and the ANC state has advanced the following: 'law and order' stability in the mining sector to maintain confidence for foreign investment, a return to corporatist collective bargaining, seeking a new deal with mining capital to ensure a share in mining rents through a state owned mining company, further black capitalist class formation through a new wave of mining development, increases in social grants, scaling up community public works programs and a big push for small enterprises and cooperatives. This off course does not break with the neoliberal trajectory and macro-economic management approach

coming through the NDP and green economy policy discourse.

- The response of capital, particularly white agrarian capital, mining capital and sections of the media, include: retrenchments, philanthropic gestures like Patrice Motsepe declaring he will share his wealth through a Trust, calls for further deregulation to entrench a low wage economy.
 - The response of the institutional opposition has been merely to attempt to pick up political support and potential votes amongst workers.
- 4.3 At the same time, the Marikana conjuncture has revealed deep divisions inside the ANC-led Alliance. On the one hand, the ANC Youth league has been disbanded and Julius Malema cast off from the ANC together with some of his followers. His Economic Freedom Fighters (EFF) is an opportunistic way to get him back into politics, mainly elected to parliament, fight the legitimate corruption charges he has to face and maybe get him back into the ANC. Malema's militant rhetoric and noise does not make him radical. However, more fundamentally the divisions inside COSATU have deepened. Pro-Zuma forces are bent on capturing COSATU and reducing it to a conveyor belt for ANC-SACP politics. On the other hand, the camp led by Vavi wanting greater independence for COSATU are fighting a desperate battle to secure the future of COSATU. This future cannot be secured in the Alliance as long as the ANC is managing an economy in the interests of transnational capital. COSATU and its worker base have already paid a serious price. South Africa needs a post-neoliberal project and this is not going to come from within the ANC-led Alliance, given its overall class orientation and direction.

4.4 In this context the emergent Solidarity Economy Movement in South Africa has to clarify what it stands for, what it is fighting for and choose its allies very carefully. COSATU has been one of the most important trade union movements in the world, but sadly it is being torn apart because it has also failed to protect its independence. We cannot afford to make the same mistake as we grow and build the Solidarity Economy Movement in South Africa. It is in this context that the theme for this conference: A Solidarity Society is a Democratic Eco-socialist Society takes on a crucial political importance.



5. Why A Solidarity Society is a Democratic Eco-socialist Society?

5.1 The Solidarity Economy movement worldwide and in South Africa is about an alternative to neoliberal capitalism. It means we are fighting for an alternative in the present but also for an alternative future. We reject the values of profit, greed, individualism, survival of the strongest, competition for competition sake and so on. We also reject capitalism and its barbarism. But in itself this is not enough. As we build the solidarity economy alternative now, as we struggle to affirm our values, we have to also have a vision of our future that we want to champion in society. To declare our future as merely being a solidarity society is not enough. There are two crucial issues at stake here.

5.2 First, capital has a future planned and mapped out for South Africa. It is called the ANC government's National Development Plan (NDP). The NDP is a disaster for South Africa for the following reasons: (i) it supports the deregulation of the labour market and is an attack on workers and unions; (ii) it promotes 'green wash' neoliberalism through promoting carbon trading, fracking and more mining. It lacks a conception of a deep and just transition to go beyond a fossil fuel economy. (iii) it supports export led agriculture while millions of South Africans go to bed hungry and whose households are food stressed; (iv) it supports globalising capitalism and (v) and its approach to fixing the state limits the space for more democracy. It only wants limited democracy that is controlled by elites. This is not the future we want and we must reject it! But we must reject it while declaring what we want.

5.3 Second, we cannot affirm a post capitalist transformative vision for the Solidarity Economy Movement without recognising the tragedies and failures of authoritarian and Stalinist state socialism in the 20th century. We cannot be dogmatic and merely affirm these kinds of socialisms. We need a new socialism in the 21st century. We also cannot be blind to the challenges of the crisis of civilisation today. The contradictions destroying capitalism have to be our weapons to build the new. This means to defend and promote democracy, to ensure ecological justice, to confront hunger, to build the solidarity economy is how we affirm an alternative future; a solidarity society which is a Democratic Eco-socialist society and a Democratic Eco-socialist society which is a solidarity society.

5.4 So what is Democratic Eco-socialism? First, it is not a blue print or formula that we dogmatically proclaim. It is also not the opposite of capitalism. The future we are building in the present is an alternative to capitalism and will also draw on the progressive developments within capitalism that have emancipated human beings. Democratic Eco-socialism is guided by a transformative practice or an emancipatory utopian practice. This means it affirms ethical values and principles in the institutions it builds, the processes of change it initiates and the mass social forces it inspires. It is emerging from struggle. This is consistent with the vision, values and principles of the emerging solidarity economy movement in South Africa.

5.5 In general terms the core principles of Democratic Eco-socialism that needs to inform our struggles and practice are the following: (i) First it is about radical democracy (direct, participatory, electoral and rights and freedoms). More democracy, including democratic planning, not less. Capitalism can only coexist with limited democracy hence radical democracy becomes both a means and end to overcome it. (ii) Second, it is about ethical values such as equality, environmental and social justice, learning, honesty, self reliance, caring, sharing and democracy. The world we are living in is not viable and it has limited resources. So how we make decisions have to be guided by values which ensure human beings and the planet can survive. (iii) Third, it has to be about ecology; our relationship with nature. We have to appreciate the complex web of life we are part of is also very fragile. The ecological crises created by capitalism places all life in jeopardy. We have to restore this balance to sustain life which means the way we produce, consume and organise our living has to be non-destructive in its relationship to ecosystems. (iv) socialism means we have to organise our society around human needs rather than profits. Democratic public ownership, public goods, protection of commons and socialised forms of property relations become crucial.

6. Characterising the Emergent Solidarity Economy Movement

6.1 COPAC has been preparing the ground work for the emergence of the Solidarity Economy Movement, for the past 5 years, of its 14 year existence. Two and half years ago COPAC made a call to initiate a process to build the solidarity economy movement as a grass roots movement. It is a movement of worker owners, workers, the unemployed, the self employed, the poor

and progressive sections of the middle class. It is a movement for all South Africans, black or white, male or female, young and old. Currently, the solidarity economy process is taking root in 15 township sites, amongst 40 grass roots partner organisations and in 6 provinces.

6.2 As an anti-capitalist movement we are not only resisting neoliberal capitalism we are also seeking to transform it; go beyond it. We are not seeking to make capitalism work better through the social economy or capitalism for the poor. In the context of the crisis of capitalist civilisation there are spaces, gaps, cracks and openings. We can use the contradictions of capitalism against it to build the solidarity economy movement from below. This also means we have to be about an emancipatory utopian practice that is strategic. We have to keep our vision in mind, understand the gaps and potentials through concrete analysis and build institutions reflecting our values and principles and be conscious about shifting power.

6.3 To shift power through the solidarity economy movement means building new forms of power from below. There are four crucial forms of power we need to be conscious of building as a movement: (i) structural power - like building a food sovereignty economy or community controlled cooperative bank or networked worker cooperatives ; (ii) movement power - involves us building membership, rootedness in community sites, a respected identity through championing community and societal needs; (iii) direct power which refers to our methods to influence the public like our campaigns; and (iv) symbolic power - where we display through practice the alternatives that represent our vision, values, principles and practices. For example, the existence of Solidarity Education and Communication Cooperatives for example embody this. In the end, the SEM and solidarity economy process are about an alternative logic to capitalism.

7. Confronting Strategic Challenges to Build the Solidarity Economy Movement

7.1 In the light of this analysis, the emerging solidarity economy movement/SEM faces five crucial strategic tasks, on the domestic terrain:

(i) It has to institutionalise itself into a formal movement centred mainly on Solidarity Economy Education and Communication Cooperatives (SEECs); the anchor for each solidarity economy process in each

community site. Currently the groundwork has been laid through three pilot SEECs. Valuable capacities and learning has emerged from this. This allows us to take the next step to set up an umbrella secondary cooperative to link these SEECs, support structures and other movement structures to ensure a national movement emerges.

(ii) Ongoing building of activist capacity. COPAC has piloted two activist schools for the SEM last year. These activist schools have grounded activists in the basics of the solidarity economy. However, these schools have to be reproduced at the grass roots and by activists in their sites. This is the role of SEECs. Moreover, more advanced and even campaign focused activist training has to be taken forward. In addition, various training tools have to be developed to strengthen solidarity economy enterprises, movement building and campaigning.

(iii) Financing is a crucial gap on the ground. While the emerging SEM has engaged DTI to secure start up finance for cooperatives on the ground, this process has many challenges and is not sufficient. Consistent with the principle of controlling capital, and in this context, the SEM has to develop its own financing mechanisms. This includes a national solidarity economy fund that provides working capital and expansion finance to solidarity economy enterprises. In addition, solidarity economy development finance cooperatives/ cooperative banks have to also be developed in solidarity economy sites for building local pools of productive capital. A partnership should be secured with the Cooperative Banks Development Agency for this purpose and a few pilots should be attempted to learn lessons and develop tools for the movement. However, control of capital also extends to how public finance is used to meet the needs of communities. In this regard the SEM has to build the capacity to democratise local government finance. In this regard crucial pilots are required to monitor, track and influence local government budgeting from below. Again pilots need to be used to learn lessons and build resources for the SEM.

(iv) It is also time to build the profile and wider popular support base of the SEM. This means building capacity to lead campaigns. Two important campaigns are crucial in this regard. First, developing a national campaign to end hunger through food sovereignty that involves all NGOs, movements, networks and individuals committed to this alternative. Second, advancing the worker cooperative

alternative to create work. Both campaigns to enable a wide public engagement but also must enable a strategic engagement with the state to ensure the state is challenged to confront capital where necessary and even provide resources. This also means taking the campaigns first and foremost to the local state.

- (v) Finally, the emerging SEM in South Africa has to strengthen its links with international movements and forces promoting the solidarity economy alternative.

**A Solidarity Society is a
Democratic Eco-socialist Society!!!
Build the SEM from below Now!
Claim the Future!**

Towards A Grass Roots Driven Solidarity Economy Movement A Strategic Framework for 2014-2015

**A Solidarity Society Is A Democratic Eco-socialist
Society! Claim the Future Now, Build the Solidarity
Economy Movement from Below!**

**Proposal to the 2nd Solidarity Economy Conference
23-25 August 2013**



Introduction

The solidarity economy is a process grounded in a bottom up anti-capitalist and emancipatory utopian practice (we bring our vision and values into institution building as we struggle).

In 2010 COPAC made a call to build a grass roots and bottom up Solidarity Economy Movement in South Africa. As an NGO COPAC is not the movement but has played a crucial facilitation role to lay the groundwork for the Solidarity Economy Movement (SEM).

Working collectively and in partnership with grass roots movements, cooperatives and activists we have achieved the following:

- The establishment of 3 community based Solidarity Economy Education and Communication Co-operatives;
- Solidarity economy movement organising in 15 townships in 6 provinces;
- Building, supporting and organising over 30 worker cooperatives as part of this process;
- Developed various support tools like an online newsletter, activist schools and research resources to assist with movement building;
- Advanced the worker cooperative alternative in various struggles like the Mine-line workers struggles, with NUMSA to secure a recycling plant and through community organising of land take-overs like in Tsakane;
- Built momentum in all its sites to marry food sovereignty campaigning to solidarity economy building.

While all of this has laid serious groundwork to root the solidarity economy in every day struggles and lives of workers, the unemployed and the poor, there is still a crucial challenge to bring this all together into a vibrant and dynamic grass roots driven movement.

This means working collectively and in a bottom up manner to bring together our collective achievements. It also means using our limited resources strategically to build a grassroots driven movement. The next two years are crucial to consolidate the relationships, capacities and power of the SEM.

This document emerges from COPACs engagements with grass solidarity economy forces. It is being shared for discussion before the 2nd Solidarity Economy Conference and will be engaged with at the Conference. It will guide COPAC's support role and our collective efforts to build and consolidate the Solidarity Economy movement in South Africa for the next two years, 2014-2015.

What is proposed is a modest strategy, to take a few key steps together that would lead to the formation of the SEM. The strategy has 4 key elements.

Objectives of the Strategy

- To build capacity for a grass roots anti-capitalist emancipatory practice to advance and build the solidarity economy from below;
- To promote popular education and learning about the solidarity economy;
- To link existing examples and learning sites of the solidarity economy movement;
- To provide a framework for envisioning the spread and diffusion of the solidarity economy movement in South Africa;
- To outline strategic elements that are important to guide the building of the solidarity economy movement;
- To outline clearly what role the state should play in this process.

Key Elements

(1) Establish local sites of hope and resistance to advance the solidarity economy

Bottom up movement building requires working at the grassroots in communities. Strategic partners are crucial to initiate and support local solidarity economy processes and to link in with existing local social forces. Thus far COPAC has partnered with:

- Ivory Park cooperative movement in Ivory Park;
- Masibambane Unemployed Project in Tsakane, Doornkop Soweto and Brits;
- Unemployed Peoples Movement in Grahamstown, Bothsabelo in the Free State and Durban;
- Mbumbulo womens group;
- Pietermaritzburg Northdale community;
- Cultural Heritage organisation, Ntinga Ntaba Ka Ndoda in Keiskammahoek, Eastern Cape.

In addition COPAC has initiated solidarity economy processes in Moutse and Marikana² in Mpumalanga, has had dialogue with community organisations in Lephalele in Limpopo and has initiated meetings with community organisations in Marikana township in North West.

Key to building the movement will be to identify further sites, cooperatives and movements that can work with the values and principles of the solidarity economy movement and so join the movement and establish further solidarity economy sites. It will also be important to identify further organisations that can play a support and anchoring role for new solidarity economy sites. Existing sites should also strengthen their relationship with one and another through supporting campaigns, struggles, sharing strategies, experiences, resources and information.

There may also be opportunities to link our work with MST activists/Via Campesina in Africa and build some means of communicating on the various approaches to creating regional solidarity. Building solidarity among migrant communities and sharing skills to assist each other to face the challenges. Develop specific interventions for targeting youth and their specific needs within the local sites.

(2) Organise, Launch and Consolidate the Solidarity Economy Movement

- **Establish Solidarity Economy Movement structure:**
Task team to prepare constitution and registration documents; constitution to be adopted, elections to take place and movement structure registered at assembly in first 6 months of 2014; setting up of governance structures; development of strategy; Training and capacitation of board; funds mobilization; implementation of membership and movement building. COPAC will provide organising support to the board and assembly of the SEM, up until the 3rd SE conference in 2016.

- **Establish Solidarity Economy Fund:**

Step 1:

Consultation with solidarity economy actors and enterprises based on the concept document of the fund and identification of pilot sites. To be completed by COPAC and SE conference in August 2013.

Step 2:

Feasibility Assessment.



Step 3:

Identify training needs and sources of finance.

Step 4:

Develop the business plan.

Step 5:

Develop constitution.

Step 6:

Develop start-up strategy.

Step 7:

The SE fund cooperative and its documents to be formalised at the first national assembly of the SE movement in 2014.

Step 8:

Registration and start-up.

• **The Role of local SECCS and Forums**

Without serious and ongoing education and organising the solidarity economy will not build the necessary capacity. The solidarity economy process needs a network of popular educators. COPAC has been working with the model of a solidarity economy education and communication cooperative (SECC) for every site to anchor this process. Thus far there are three such cooperatives in existence which provide the basis for such a network.

The SECCs will be linked into the Solidarity Economy movement structure through the constitution that will be adopted. Essentially the SECCS will form the backbone of the movement and will be the main drivers of the SEM. The SEM cooperative will coordinate the network, share and develop activist training tools and constantly support the solidarity economy movement building methodology. Every township site must work towards establishing a SECC.

In addition existing SECCs must be strengthened to ensure the following:

- Dynamic member and actor partnership in the solidarity economy process;
- Clear strategies to build the local SEM including campaigning work, education (internal and external), membership recruitment, use of technology etc;
- Build the capacity of SECCs to be responsive to the support needs of solidarity economy enterprises;

- Income generation through various activities linked directly to the SECC;
- Coordination of the local solidarity networks, enterprises and the movement in general in a community site;
- Convene local community forums to advance the solidarity economy movement, our campaigns such as food sovereignty and other struggles of the movement;
- Provision of support to national movement building.

(3) Develop Research, Education and Movement Building Tools

Crucial to building the solidarity economy movement is the constant building of knowledge and capacities, theoretical and practical. The solidarity economy requires various tools to support its development. Such tools have to emerge from practice. Thus far COPAC has developed five tools to assist this process: (i) the solidarity economy activist guide; (ii) mapping tool developed in Ivory Park; (iii) website with research reports, cooperative building tools, discussion papers etc.(iv) Solidarity Economy News (our collective newsletter) and (v) the SEM activist school.

In addition, more tools will be developed over the course of the next two years:

- (i) A gender training activist guide on the role of women in building grass roots power;
- (ii) A step-by-step toolbox on how to set up a worker cooperative, link with local solidarity networks and the movement;
- (iii) A food sovereignty activist guide;
- (iv) A guide on using documentary film for activism;
- (v) An activist guide on setting up a SE Development Finance Cooperative;
- (vi) An activist guide on participatory budgeting.

There are two books on the solidarity economy that COPAC will also be publishing soon. These books will be used as training resources for activists. In addition to these tools for research and learning, other tools will include:

- The sharing of resources and movement building tools will involve constant research and documenting of processes in each solidarity economy site, which must be written up in popular form for sharing across other sites and through the national forum. Video resources, for example of lectures, workshops and campaigning, as well as cooperatives and solidarity economy actors documenting their experiences, will provide a useful movement building tool.
- International resources from other countries, such as books and tools, will be translated and housed on the COPAC website initially, and websites of participating organisations in South Africa will be linked so as to further facilitate the sharing of resources.
- An online solidarity economy newsletter has been established to share solidarity economy practices and news from below. This has been housed by COPAC so far, but its development and dissemination will then be housed in the movement.
- The Brazilian NGO Solidarius has an excellent online tool which provides a good platform to link together producers of products to improve trade between solidarity economy members. Such a tool needs to be developed and maybe housed on the national solidarity economy forum and movement website.
- Use social networks and information and communication technologies to promote actions aimed at bridging the digitizing gap - education among grassroots on use of communication technology to use it for forwarding the aims of solidarity and the struggles of the poor.
- Participatory video material done by the cooperatives to contribute to media production and training resources.
- Education initiatives should include elements to deconstruct various forms of oppression that we both experience and perpetrate. How do we build our own relations in society looking at power relations, family life, inter personal lives - in order to build and internalize the values and principles of the solidarity economy.

We need to identify and deal with the challenges of cooperatives as vehicles for transforming the economy. This means assisting with resourcing, experience and skills - popular education and communication cooperatives (SEECCS) to assist with developing vision and strategies of cooperatives to further the solidarity

economy and support of all cooperatives. Through solidarity economy forums and the Solidarity Economy Education and Communication model cooperatives need to be supported, developed and brought into the solidarity economy and movement.

(4) Campaigns, Solidarity and Building Alliances for the SE Movement

The solidarity economy has to be built through campaigns and struggles. Such campaigns and struggles should link sites and movements. At this time there are two important campaigns that the solidarity economy movement can champion:

1. **Food Sovereignty Campaign** - see food sovereignty campaign document
2. **Worker Cooperative Alternative Campaign** - Public Policy Demands for a national worker cooperative Act, support program and for resources to support community based solidarity economy cooperative funds. COPAC has developed a host of materials to support such demands and can be used to build activist capacity around such demands. Such demands can be targetted at the national, provincial and local government.

Key tasks for the campaign for SEM:

1. Food Sovereignty Campaign:

- Education and training programs through activist schools and the role of SEECCs that would cover:
 - The Crisis of Hunger and Corporate control of the food system;
 - Climate Change and Climate Justice;
 - Advancing the Food Sovereignty Alternative through the SEM;
 - Nutrition and cooking receipes;
 - Water and environmental conservation;
 - Agroecological training;
 - Seed saving and sharing training.
- Mobilisation and event planning through SEECCs and SEM as a whole:
 - Food Festivals;
 - Seasonal Harvesting Parades;
 - Forums;
 - Mass meetings, marches and rallies.



- Proposals and submissions for state resources and land through grass roots SEM forces:
 - Mapping of public land;
 - Applications for use of public open land for food production;
 - Applications for state resources;
 - Land occupations and sites of resistance.
- Media and communication through SEECs and the SEM as a whole:
 - Main stream media statements;
 - Website;
 - Email group;
 - SMS groups;
 - Social media;
 - Newsletter articles;
 - Flyers pamphlets and posters;
 - Mural Art;
 - Photography exhibitions.
- Worker cooperatives need to contribute to the national fund in how they use loan finance from the fund;
- National fund budget and finance mechanism be developed;
- Implementation strategy for financing pilot worker cooperatives nationally.

In addition, the SEM will pilot two SE Development Finance Cooperatives (Cooperative Banks) over the next two years in two sites. This experience will be documented and an activist guide developed out of this experience.

Regarding participatory budgetting. COPAC will ensure two SEM partners pilot such an initiative and capacities are built in the movement. These experiences will be documented and an activist guide developed out this experience for SEM as a whole.

2. Worker Cooperative Alternative Campaign - Create Work Through Worker Cooperatives!

- National Worker cooperative committee for public policy submission for a worker cooperative act.
 - Formulation of demands and laws supporting worker cooperatives;
 - Provincial hearings for submissions and formulation;
 - Case studies and research.
- National support program for worker cooperative development and solidarity economy network building.
 - Ground work training tools;
 - Aftercare training tools;
 - Self management and governance tools;
 - Movement networking and building tools.
- Resourcing and fund raising.
 - Submission of proposals to various state grant funding agencies to support and stream funding to the national solidarity economy movement fund;
 - Issue a call to unions and other progressive organisations to support the campaign and provide funds to the national solidarity economy fund;
- All progressive unions, the faith based communities and progressive NGOs;
- The unemployed peoples movements are part of the SEM but the SEM needs to also support campaigns and activities of the unemployed. The planned Assembly of the unemployed must be supported by the SEM;
- The environmental justice movement;
- Emerging actors in the Food Sovereignty movement;
- The Left such as the Democratic Left Front.

End Hunger Through Food Sovereignty!
Create Work Through Worker Cooperatives!
A Solidarity Society is a Democratic Eco-socialist Society!
Claim the Future Now, Build the Solidarity Economy Movement from Below!

Building a Grass Roots Driven Solidarity Economy Movement (SEM) in South Africa

Concept Document

1. Background and Description

COPAC has been working together with a number of organisations in communities in various places in the country for the past three years. Thus far this has involved 15 township sites, in 6 provinces and has involved about 40 grass roots partners in this effort. This work has focused on building the solidarity economy logic as a response to communities' experiences of the crises of South African capitalism. This has involved education, establishment of cooperatives to perform various activities, and work to establish local Solidarity Economy Education and Communication Cooperatives (SEECCs).



The aim of the solidarity economy movement structure is to consolidate this solidarity economy work by bringing it together into a structure. This SEECCs network will essentially be a network of local SEECCs, solidarity economy enterprises, solidarity economy actors and supporting organisations. It will be the collective institutional expression of the solidarity economy movement in South Africa and will provide a horizontal learning and solidarity channel to enable mutual learning and sharing of practices. It will also develop information and communication technology links between these sites to strengthen the links between the sites and the learning processes. In short, the SEECC network will be the core and heart of the Solidarity Economy Movement (SEM).

This document presents a proposal for discussion on the objectives, content and structure of the SEM in South Africa. It will be registered as a secondary cooperative, and the SEECCs will affiliate to it as primary cooperatives together with other organizational members, finance members and volunteer members. COPAC will also continue to play a support role to the movement to ensure it is firmly institutionalised and fully operational over the next two years.

2. Vision

To achieve an independent and activist-driven grass-roots solidarity economy process and movement in South Africa.

3. Objectives

- Provide a link between different SEECCs and solidarity economy sites.
- Provide education and training as well as resources on the solidarity economy.
- Assist with capacity building for operational areas of the SEECCs.
- Provide a link to an integrated solidarity economy information and communication system.
- Involvement in a wider movement through exchanges, learning spaces and conferences.
- Develop organizing tools for solidarity economy process interventions and campaigns.

4. Core Activities

The solidarity economy movement will undertake the following activities to realise its objectives:

- Provide support to SEECs and the movement through information sharing, training and education, and facilitating linkages across sites;
- Conduct research on issues relevant to the movement to further deepen the information, knowledge and capacities embedded in the movement;
- Develop and manage a national integrated information and communication system: website, social media, SMS database, education and training tools, manage data base of sources of vocational training, funding, relevant state programmes and available sources of support etc;
- Fund raising for solidarity economy movement;
- Coordination of national campaigns - campaigns that are linked to the solidarity will grow, such as food sovereignty campaign, participatory budgeting campaigns, and others that will grow out of local struggles. The SEECN will play a role in coordinating campaigns nationally, across different solidarity economy sites.

5. Values and Principles

In different parts of the world solidarity economy movements and networks emphasise a core of ethical values and principles. Such values will also ground and inform the cooperative model of the SEM.



Some of the **main ethical values** of the solidarity economy are caring, sharing, self-reliance, honesty, democracy, equality, learning, environmental consciousness, social justice and openness.

The process of the solidarity economy is guided by the following principles:

- **Solidarity:** provides the social basis for the solidarity economy. It informs the cooperation between members inside a solidarity economy enterprise, between such enterprises and with the community more broadly.
- **Collective ownership:** ensures the assets and resources of the solidarity economy enterprise brings benefits to all within the enterprise, to the community and future generations. It ensures control and power is shared.
- **Self management:** gives members (women and men) and worker owners the rights to impact on decision-making. Such a principle ensures one-person-one-vote institutionalises accountability and responsibility. Ongoing education and training is crucial for viable self management.
- **Control of capital:** is a crucial practice to secure benefits for the individual enterprises, the wider solidarity economy and the community. It requires developing mechanism's to build up capital from below and subordinating it to democratic control so that the vision, values and principles of the solidarity economy informs lending practices. Such criteria will also inform the behaviour of the borrower.
- **Eco-centric:** practice places an emphasis on a non-destructive relationship with nature through inputs, production processes, services rendered, consumption and household practices.
- **Community benefit:** encourages a broader social awareness as an integral part of how the solidarity economy works. Such community benefit to be accounted for through transparent financial reporting.
- **Participatory democracy:** provides an institutional space for the decentralised power of citizens and solidarity economy actors for and with the solidarity economy process. Such an institutional space to bring together and unite such social forces to ensure effective coordination and development of the solidarity economy.

6. Membership Rights and Obligations

The cooperative will have 3 forms of membership:

(i) Organisational Members

1. SEEC members - local SEECs who affiliate and pay annual membership fees to the movement. They will participate in decision making structures.
2. SE Fund - the key financial institution in the movement will be a member and pay an membership fee to the movement. The fund will participate in decision making structures.
3. Support NGOs - such organisations will pay annual membership fees and will contribute through the support that they provide to the movement. Each NGO will only have one vote, irrespective of the number of people in that NGO.
4. National Movements and Cooperatives - such organisations will pay annual membership fees and will contribute through the support that they provide to the movement. Each movement and/or national cooperative will only have one vote, irrespective of the number of people in that organization.

(ii) Finance Members

Members who contribute financially to the movement. Such members will not have voting rights. However, such members may attend assemblies and conferences of the movement.

(iii) Volunteer members

Members who provide time to the movement to assist with program implementation and who contribute to capacity development. Such members will not have voting rights. However, such members may attend assemblies and conferences of the movement.

7. Sources of finance

The SEM will require steady income of finance to fulfill its programme and objectives. For this it will look to both internal and external sources of finance.

Internal Sources:

- Membership fees from 4 categories of membership
- Finance members fees

External sources:

- Funders
- Individual donors
- Government financing programmes
- International movement

Note: All sources of finance will be evaluated in terms of the values and principles of the SEM before applying for or accepting funding from particular sources. A key criteria will be that sources of funding will in no way threaten the autonomy of the movement.

8. Decision making and self-management structure

The SEM will have three key decision making structures and a support structure:

- National Conference
- SEM Assembly
- Board of Directors
- Council of Patrons

National Conference

The national conference will take place every 2 years, with representatives from SEECs, from the broader movement, and from support organisations. It will assess the current context and state of the movement, report on past decisions and activities, plan activities, assess campaigns and revise and adopt strategies and will affirm policies for the movement.

All members attending will pay a conference fee.

Solidarity Economy Movement Assembly

The SEM Assembly will happen every 6 months. This means there should be 2 Assemblies per year. The year in which there is a SEM national conference, the Assembly will only sit once. Each SEEC member will elect 2 of their board members as representatives to the Assembly. SE Fund will also send 2 members and all other organizational members will send 1 representative.

The purpose of these meetings will be to assess strategic programme implementation, campaign coordination, movement planning, problem-solving, capacitation and resourcing. Decisions at these meetings will be made by one-organisation-one vote principle. This means that the agenda for each representatives council meeting will be shaped by the movement and shared well in advance, so that SEEC representatives will attend each council meeting with a clear mandate on key decisions from their local membership base.

All members attending will pay an assembly fee.

Board of Directors

A board will also be elected at the national conference and will meet every 3 months. The board will be responsible for developing policies and strategies for implementation of decisions taken by the council of representatives and at national conferences. The board will therefore be responsible for ensuring the implementation of strategy and policy.

The board will consist of 8 members and will be constituted as follows:

- 5 board members will be elected from the SEECs.
- 1 member will be from supporting NGOs.
- 1 member from movements/national cooperatives.
- 1 member from SE Fund.

The board will stand for election every 2 years at the bi-annual national conference. Existing board members may stand for re-election. In addition, at each national conference, only 5 board positions will be open for election: 2 SEEC reps and all reps from other organizational membership categories. This will ensure that 3 board members will remain from the previous term, in order to ensure continuity and retention of knowledge and experience built up during the previous term.

Council of Patrons

Linked to the board will be a committee of lifetime patrons of 5 persons. These will be individuals with knowledge and experience in movement building that can provide advice and guidance to the movement. They will have access to all movement structures, including board meetings, and will provide public, research and intellectual support to the movement. The patrons of the SEM will not have the right to vote but will have the full right to participate and advise.

9. Personnel of SEM

In addition, the SEM head office will have three fulltime personnel:

1. National education and training officer - will provide training resources and cooperative information to the education officers within the various SEEC's; design and oversee implementation of a diverse activist skilling programs with the aim of creating a cadre of activist trainers within the respective solidarity economy sites; design new tools for cooperative skills capacitation; assess, support and monitor education programs and trends in the various solidarity economy sites; ensure ongoing education and training within the movement.

2. Campaigns coordinator - will coordinate national strategic campaigns; provide campaign documents and resources to SEEC sites; organize mass events for campaigns; fundraise for national campaigns; manage and update the national communication system; communicate with relevant and potential actors; ensure campaign coordination between sites.
3. Researcher - Conduct research relevant to building the movement; assist with site based research; manage the external and internal information system; work closely with the national education and training officer, largely in terms of providing information to the education and training officer for developing training materials and movement building tools; as part of continuously developing and refining its political perspectives in which to situate and guide its practical movement building, undertake political economy-focused research.

10. Surplus - not for profit

To meet its operational and strategic objectives, the cooperative will have to plan to make a surplus. The surplus will be divided as follows:

- 20% for reserves.
- 70% for campaigns, programmes and operational requirements of the SEM.
- 10% for education and training of SEM board and staff.

11. Process Proposal

- Discuss and take resolution at national solidarity economy conference in August 2013.
- COPAC led task team to prepare draft constitution, facilitate grass roots input and registration documents for national SEM.
- Constitution to be adopted, elections to take place and movement structure registered at assembly in within 6 months of 2014.
- COPAC training and capacitation of board to support strategic framework adopted at August 2013 conference and constitution implementation.
- Funds mobilization.
- Implementation of membership and movement building programs.
- COPAC will assist and support the movement up until the third SEM conference in 2015, including assisting the movement organize Assemblies in the latter half of 2014 and in the first six months of 2015.

2 Models for Solidarity Economy Finance in South Africa

Central to the successful and broad development of cooperatives on a significant scale in other parts of the world, such as in the Emilia-Romagna in Italy and the Mondragon cooperative complex in the Basque region of Spain, has been the development of financial institutions whose purpose is to support the development of cooperative and other enterprises, in the context of pursuing broader social development and transformation. Such financial institutions were built on strong bases of social solidarity, as well as state support (more so in the case of Emilia-Romagna). They provided much-needed finance mainly to cooperative enterprises that might otherwise have lacked any other means of accessing the capital that they needed to either start up or for existing enterprises to expand.

However, in South Africa, solidarity economy enterprises face the significant challenge of insufficient sources of finance that are specifically suited to the needs of such enterprises and whose aim is their broad development rather than just profit-centred returns on loans made. Specifically, the building of a solidarity economy movement in South Africa requires a source of finance that is aimed at building the movement, rather than sources of finance that target enterprises separately as isolated entities. That is, what is required is finance that aims at movement building, rather than building individual enterprises only.

Potential solidarity economy enterprises in South Africa experience some of the following challenges with regard to finance:

- **Lack of capital** - Capital is required for start-up, for growth, and for working capital. This has placed a serious constraint on the growth of solidarity economy enterprises.
- **Lack of appropriate finance mechanisms** - many of the sources of finance offered by the state are married to conceptions of Black Economic Empowerment. This concept is premised on merely de-racialising South Africa capitalism and has utilised finance in a 'get rich quick' kind of way (this has been exemplified by the case of the financially-troubled National Empowerment Fund (NEF) recently providing finance of R34.1 million for the opening of a shop that sells high priced luxury clothing and accessories). This has been linked to fast-track incubation models that have not produced sustainable cooperatives. Tenders have also been

utilised to foster dependency and political control. Furthermore, existing state finance can be difficult to access, with onerous and difficult conditions placed on cooperatives. Loans provided by the state also tend to be commercially-centred, such as those provided by the Small Enterprise Finance Agency (SEFA). Much of these loans are funnelled through what are called 'financial intermediaries', such as banks and micro-lenders, who then provide the loans to small businesses and cooperatives, based on their interest rates and commercial imperatives.

- **Control by loan sharks** - many potential solidarity economy enterprises have also ended up in the clutches of loan sharks. These 'micro-financiers' have charged high interest rates for loans, have tied up collateral and do not show any flexibility with regard to repayment. One loan in this context leads to more loans and eventually the debt trap squeeze.
- **Control by capital** - even in contexts in which funding is secured, the conditionalities, controls and reporting requirements can be extremely difficult. In fact, sourcing capital in this way means trading off autonomy and independence. The enterprise is no longer guided by voices of worker owners or members but by the imperatives of capital.

Overall then, key to the success of cooperative movements in other parts of the world have been a special fund that is embedded in the movement. These have been aimed only at providing loans to cooperatives, and dynamically and deliberately suiting the provision of finance to the needs of cooperatives as a special enterprise apart from other enterprises such as companies and small business. However, such a fund is currently absent in South Africa. This absence has a constraining effect on the success, growth, and multiplication of solidarity economy enterprises in South Africa. In this context, solidarity economy financing models that are grounded in the needs and imperatives of individual enterprises, and the movement more broadly, such as the Solidarity Economy Fund Cooperative and Solidarity Economy Development Finance Cooperative, are extremely important mechanisms for the movement to develop as central institutions in building the solidarity economy movement in South Africa.

The following two concept documents for discussion at the conference provide an overview of the Solidarity Economy Fund Cooperative and the Solidarity Economy Development Finance Cooperative. After input and modifications through the conference process, they will hopefully be endorsed and work will begin to establish them as central functioning institutions in the solidarity economy movement in South Africa.



Model 1: A Solidarity Economy Fund Cooperative for South Africa

1. Introduction

This document outlines a model for a Solidarity Economy Fund Cooperative for South Africa that is embedded in, and serves to build, the solidarity economy movement. It will play a key role in providing finance to solidarity economy enterprises on the terms of the solidarity economy movement, for development and expansion of enterprises and for working capital.

2. Understanding the Solidarity Economy Fund Cooperative

It is important to distinguish the Solidarity Economy Fund Cooperative model, as one potential solidarity economy financing mechanism, from other models that are different to conventional banks. Firstly, the fund is not a micro-finance model. Micro-finance (or micro-lending) which has a narrow 'target the poor' on an individual basis approach, is dependent on donor funding, and does not have a movement orientation. These institutions are based on an individualist and returns-based approach to lending and empirically have not shown any ability to contribute to long-term structural transformation. Furthermore, it has been found that they tend to 'lock in' small, individual, survivalist activities, rather than

stimulating new patterns of increased production and consumption more broadly. Secondly, the Solidarity Economy Fund is different to the credit union model, which is a consumption-based savings and loans model, and does not provide finance for productive purposes.

The Solidarity Economy Fund Cooperative is essentially a financial services cooperative, which is a cooperative that provides financial services to its members. The fund will have the potential to eventually become a cooperative bank (see concept document 2) if it develops assets of over R1 million. Or it could remain a Solidarity Economy Fund cooperative, if it is not classified as financial services cooperative.

The main features of this model are:

- Commitment to solidarity economy vision, values and principles;
- Provision of productive capital to members;
- Member-based cooperative;
- Clear loans policy;
- A member contribution policy;
- Donor/investor policy;
- A clear management structure;
- Transparent monitoring and reporting.

Crucially, the Solidarity Economy Fund Cooperative is part of the solidarity movement, and has as a primary objective the expansion of this movement through providing finance to the solidarity economy enterprises and actors that constitute the movement. It thus deals with risk differently to commercial financing institutions. There are three aspects to this:

- **The compulsion of solidarity** - the solidarity economy fund is based on contributions by member beneficiaries to pay of loans, which forms a common pool that has to be shared with other solidarity economy enterprises. A failure to pay back loans deprives another solidarity economy enterprise of financial resources. Hence, there is an ethical and movement pressure to ensure financing works successfully.
- **Participatory methodology** - lending happens through a participatory planning methodology, which is knowledge and learning centred, whereby the managers of the fund work on an individual basis with each borrowing enterprise to plan how the funds will be used to achieve the enterprise's objectives and how the loan will be repaid. This allows for the risk to be planned out by both the borrower and the fund.

- **Transparency** - this ensures proper financial reporting to all members of the fund. This not only maintains trust but also serves to place pressure on delinquent members within the collective.

The fund will be registered under the Cooperatives Act of 2005 either as a financial services cooperative or a Solidarity Economy Fund Cooperative. It will depend on how DTI classifies the Fund.

3. Objectives

The Solidarity Economy Fund Cooperative will have two main broad objectives:

- Contribute to structural transformation and the building of the solidarity economy movement in which new patterns of production, financing, consumption and living takes root in accordance with the values and principles of the solidarity economy;
- Control and subordination of capital to the needs of solidarity economy enterprises and their surrounding communities.

It will do this by providing **productive capital** to solidarity economy enterprises and actors, as opposed to loans for consumption. Specifically:

- To assist with building up assets in solidarity economy enterprises and actors;
- To provide working capital;
- To provide capital for expansion and the consolidation of solidarity economy enterprises.

4. Scope of Operation

The fund cooperative will operate on a national scale, providing financing to cooperatives in South Africa that are part of the solidarity economy movement.

5. Relationship to Movement and Network

The fund will be grounded in the solidarity economy movement, institutionally represented by the national Solidarity Economy Education and Communication Cooperative Network (SEECCN) and have as its function to further develop the movement by providing capital to solidarity economy enterprises for productive capital. Its central role will thus be providing the finance for expanding the solidarity economy movement in South Africa. It will be grounded in the principle of control over capital by basing its lending practices on the values and principles of the solidarity economy movement. The fund

will be grounded in and bound by the Constitution of the solidarity economy movement, including the SEECC Network Cooperative.

6. Values and Principles

The Solidarity Economy Fund is grounded in the values and principles of the solidarity economy:

Values

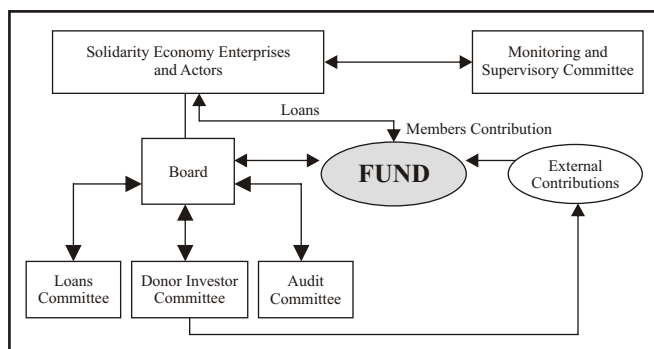
In different parts of the world solidarity economy movements and networks emphasise a core of ethical values and principles. Some of the main ethical values of a worker cooperative are ***caring, sharing, self-reliance, honesty, democracy, equality, learning, ecological consciousness, social justice and openness.***

Principles

- **Solidarity:** provides the social basis for the solidarity economy. It informs the cooperation between members inside a solidarity economy enterprise, between such enterprises and with the community more broadly.
- **Collective ownership:** ensures the assets and resources of the solidarity economy enterprise brings benefits to all within the enterprise, to the community and future generations. It ensures control and power are shared.
- **Self-management:** gives members (women and men) and worker owners the rights to impact on decision-making. Such a principle ensures one-person-one-vote institutionalises accountability and responsibility. On-going education and training is crucial for viable self-management.
- **Control of capital:** is a crucial practice to secure benefits for the individual enterprises, the wider solidarity economy and the community. It requires developing mechanisms to build up capital from below and subordinating it to democratic control so that the vision, values and principles of the solidarity economy informs lending practices. Such criteria will also inform the behaviour of the borrower.
- **Eco-centric practice:** places an emphasis on a non-destructive relationship with nature through inputs, production processes, services rendered, consumption and household practices.

- **Community benefit:** encourages a broader social awareness as an integral part of how the solidarity economy works. Such community benefit to be accounted for through transparent financial reporting.
- **Participatory democracy:** provides an institutional space for the decentralised power of citizens and solidarity economy actors for and with the solidarity economy process. Such an institutional space to bring together and unite such social forces to ensure effective coordination and development of the solidarity economy.

7. Structure of the Solidarity Economy Fund Cooperative



Description

The Solidarity Economy Fund Cooperative is member-based. That is, to participate in and receive loans from the fund, solidarity economy enterprises and actors will firstly join as members.. As members they have defined rights and obligations. However, the predominant source of finance for the fund will be sourced externally. The cooperative will thus actively solicit funds from external contributors. These external contributors have to contribute funding to the cooperative on the basis of the values and principles of the solidarity economy process and will provide either donor support to the fund or low interest loans to the fund. These are the sources of funds:

- Government finance;
- Individual donors;
- Solidarity Economy enterprise donors, including cooperatives;
- SE actors that support the Solidarity Economy like trade unions, civic organisations, community organisations and religious organisations;
- International cooperative and solidarity economy institutions;
- Progressive private sector enterprises that support the values and principles of SE movement.

The financial injection from external sources together with the internal financial resources accumulated in the fund will be lent out to members as 'productive capital'. This will also be in the form of low interest loans.

The applications for loans will be entail a rigorous process. All enterprises or actors applying for a loan will qualify for a loan if:

- Such applicant has been a member of the fund for a minimum of one year;
- Such applicant submits a business plan with the loan application;
- This business plan is critically assessed by the loan committee;
- The applicant revises the business plan subject to recommendations made by the loans committee;
- The applicant accepts the streaming of finance to the enterprise in accordance with conditions set by the loans committee.

8. Structure of Decision Making and Administration

- **Board:** The board will be responsible for decision-making and administration of the fund. It will consist of no more than 10 members. The first board will be nominated at an assembly of the SE movement after it is formally constituted. Thereafter it will be elected by the membership of the fund. It will consist of at least 2 SECC members, 2 members from primary SE worker cooperatives, 2 representative from NGOs supporting the national movement, 2 prominent progressive members from South African society and 2 representatives from the SE movement patrons committee.

The board will be re-elected every 4 years. However, to ensure continuity and retention of experience, the board will have a rotation policy, such that at the end of every term 3 board members will be selected to remain for the next term. This will be important to ensure that experience, knowledge and administrative capacity is not lost at each election of the new board.

Members of the board will then be nominated to fulfil roles on each of the committees below. Each committee will be constituted by 3 members:

- **Loans Committee:** will perform the functions outlined under point 7, of assessing applications for loans and managing provision of loans.

- **Donor committee:** will have the responsibility of identifying sources of funding for the cooperative, securing such funding, and communicating with external funders.
- **Audit committee:** ensures that funds and loans are all accounted for over a financial year, and develops an annual audit report of the financial activity of the cooperative.
- **Monitoring and supervisory committee:** ensures that loans provided to solidarity economy enterprises and actors are being utilised as agreed with the loans committee, provides assistance to such enterprises and actors in implementing the agreed plan, and provides an annual report on the usage and outcomes of the loans, as well as a social audit report indicating the broader social and environmental impact of the cooperative's lending activities for the year.

9. Transparency and Accountability

As a member-based institution, the Solidarity Economy Fund Cooperative will ensure full transparency through:

- Audited financial statements;
- An annual report from the monitoring and supervisory committee which also include a social audit dealing with member participation and community impact;
- An annual fund report.

10. Proposal and Steps to Start-Up

COPAC will lead the development of the SE fund after it is approved in principle at the SE conference in August 2013, a collective decision to incorporate such a fund into the SE movement constitution also made at the conference and the concept document finalised at the same conference. After this COPAC will lead a process involving the leadership of the SE movement to set up this fund. This process will be guided by the following steps.

Step 1:

Consultation with solidarity economy actors and enterprises based on the concept document of the fund. To be completed by COPAC and SE conference in August 2013.

Step 2:

Feasibility Assessment.

Step 3:

Identify training needs and sources of finance.

Step 4:

Develop the business plan.

Step 5:

Develop constitution.

Step 6:

Develop start-up strategy.

Step 7:

The SE fund cooperative and its documents to be formalised at the first national assembly of the SE movement in 2014.

Step 8:

Registration and start-up.

Model 2:

Solidarity Economy Development Finance Co-operative (SEDFC)

1. Introduction

This document unpacks the framework and requirements for a potential solidarity economy development finance cooperative for communities across South Africa. This banking cooperative aims to provide finance to emerging and expanding cooperatives within solidarity economy sites.

2. Background

South Africa's history of cooperative financing institutions comes from the South African savings and Credit Co-operatives (SACCO's), which formed in the early 1980's, and Village Financial Service Cooperatives (VFSC's) in the mid 1990's. Both these institutions have enjoyed large membership bases defined by common bonds of associations like a village, town or city or workplace or occupation or religion. The 2010 annual report by the umbrella body of the SACCO's, the South African savings and Credit Cooperative League (SACCOL) boasts a national membership of 26 114 with loans issued to the value of over 89 million rand. More recently many SACCOL linked SACCOs have taken a hard hit in the context of the crisis, with many declaring bankruptcy.

The Solidarity Economy Development Finance Cooperative has the potential to move beyond the individual member based SACCO and VFSC models and experiences by providing capital to emerging and expanding solidarity economy enterprises and actors in communities. The SEDFC will be embedded within the most viable solidarity economy sites that are building solidarity economy enterprises and networking with a wide variety of solidarity economy actors. The site should have a dynamic and operational Solidarity Economy Education and Communication Cooperative (SEEC), affiliated operational worker cooperatives, movement building campaigns, and participating solidarity economy actors.

The SEDFC will work with its movement, values based and solidarity practices as opposed to typical profit driven financial institutions. It is more rooted in the community it serves and sensitive to their struggles. It will be committed to developing these enterprises and will teach solidarity economy enterprises how to manage, save and control capital and not be subordinate to it.

3. Objectives

The SEDFC will have the following objectives once operational:

- To assist with building up assets in solidarity economy enterprises and actors;
- To provide start up capital;
- To provide working capital;
- To provide capital for expansion and consolidation of solidarity economy enterprises.

4. Vision

In keeping with the vision of the solidarity economy movement. The vision of the SEDFC will be built on strong foundations and support of vibrant solidarity economy enterprises, actors and education and communication cooperatives in communities. Intern the SEDFC will strive to service these cooperatives and organizations through various loans and savings products that meet their needs and enable them to grow and develop.

5. Main Economic Activity

The main economic of activity will be the provision of savings and loans products to Solidarity Economy Movement enterprises within communities. The SEDFC will also provide financial planning and education to these institutions.

6. Values & Principals

The development finance cooperative will be guided by the values and principles of the solidarity economy movement, as with the above-described solidarity economy fund.

7. Structure of the Solidarity Economy Finance Cooperative

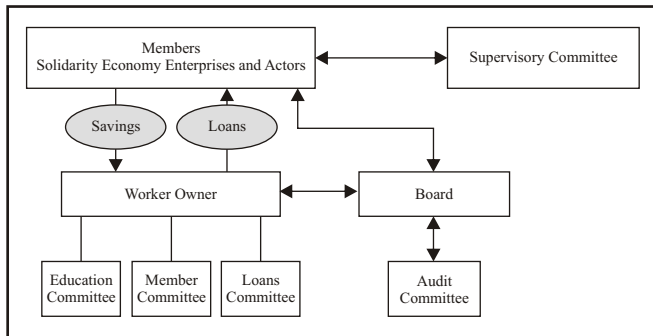
The financial service cooperative is member based. The common bond for membership is the link to the solidarity economy movement. All members will purchase a share in the cooperative. In addition, all members will save monthly. However, unlike credit unions or cooperative banks the funding products are for productive capital. In other words, loans are not for consumption purposes. This would be interest-bearing loans.

However the applications for loans would entail a rigorous process. All enterprises or actors applying for a loan will qualify for a loan if:

- The applicant has been a member for over a year;
- Such applicant submits a business plan, according to guidelines, with loan application;
- This business plan is critically assessed by the loan committee;
- The applicant revises the business plan subject to recommendations made by the loans committee;
- The applicant accepts the streaming of finance to the enterprise in accordance with conditions set by the loans committee;
- The savings of the applicant is used as collateral against the loan.

As member based institutions the solidarity economy development finance cooperative would have to ensure full transparency through:

- Audited annual financial statements;
- An annual report from the monitoring and supervisory committee which would also include a social and environmental audit dealing with member participation and community impact;
- An annual development finance cooperative report.



8. Surplus Management

If the cooperative declares an annual surplus. The surplus of the development finance cooperative will be divided into the following formula:

- 40% reinvestment back into the reserve fund;
- 20% toward member education and training;
- 20% toward Solidarity Economy Movement building;
- 20% toward member dividends.

9. Transparency & Accountability

As a member-based institution, the cooperative will ensure full transparency through:

- Audited financial statements;
- An annual report from the monitoring and supervisory committee which also include a social and environmental audit dealing with member participation and community impact;
- An annual fund report.

10. Relationship with the movement and Network

All SEDFC's will affiliate to the national movement structure of the solidarity economy movement. They will share information through experiences, reports and strategic advice to the broader solidarity economy movement.

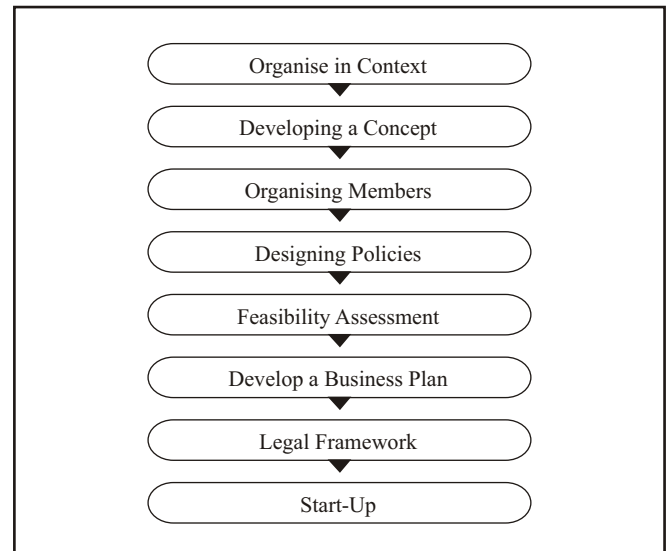
They will affiliate through the local SECC.

11. Relationship with the Cooperative Bank Development Agency (CBDA)

The SEDFC will remain independent from the CBDA as a registered primary savings and loans cooperative bank under the 2005 cooperatives Act. The CBDA will provide start up resources and technical and managerial skills training to the emerging SEDFC's.

12. Steps to set up Solidarity Economy Development Finance Co-operative

The following 8 steps need to be followed for developing the SEDFC in a viable site. The conference will clarify the concept for the cooperative models. COPAC proposes that 2 pilot sites be chosen for 2014. We propose Ivory Park and Bothshabelo.





The Food Sovereignty Campaign

COPAC Food Sovereignty Campaign Proposal

This document presents a proposal for a national food sovereignty campaign in South Africa. It begins by describing the broader context of hunger in the world and in South Africa, and then briefly describes possible components of a food sovereignty campaign.

Hunger in the world

Today in the world there are 1 billion people living in perpetual hunger and as many as 2 billion people that are food insecure. Due to malnutrition 300 children die every hour and 2.6 million children die every year. Moreover, 450 million more children will fail to develop properly due to inadequate diet and nutrition over the next 15 years. This food insecurity exists alongside a growing challenge of obesity amongst mainly lower socio economic groups who are forced into eating unhealthy but cheap 'fast foods', because of the fact the food system has developed in ways that make this food cheaper than more nutritious food groups.

Structure of the global food system

Common sense may argue that the reason for the existence of hunger is poverty, which means that people cannot afford to buy sufficient and nutritious food. But this is only one aspect to understanding hunger. There is a growing awareness that understanding why we have hunger needs to go beyond only focusing on poverty to interrogating the structure of our food systems.



Globally the food system is becoming more and more directed towards the imperatives of profit and corporate control. This is happening as corporate interests seek to gain greater control over seed systems, global food prices become subject to food commodity trading, more land is being converted to producing for biofuels rather than food, food chains become more tightly dominated by a small number of actors, there is growing concern over land grabs for the growing of biofuels as well as for producing food for richer countries worried about their national food security, and state support to, and investment in, national agriculture has been reduced in the interests of free trade. These factors have made our food systems less subject to national control and more embedded in global market forces, thus creating instability in people's abilities to access sufficient food, as was evidenced explosively in the 2008 food crisis.

A key consideration in the unsustainability of the industrial food system is its ecological impacts. It is estimated that industrial agriculture contributes about 30% to climate change-causing greenhouse gas emissions. These are generated through fertilizer production, the fuel for powering industrial farming machinery, transport, storage, livestock production, and so on. It also has contributed to biodiversity loss and land degradation through clearing of land for monocropping, poisoning of water sources by chemical fertilisers and pesticides, siltation of rivers, and so on. There is thus a growing awareness that the world has a broken food system that urgently needs real structural transformation to fix.

However, it is worth noting that the majority of the world's food is still produced by 2.5 billion small scale farmers. This links to two considerations. First, the industrial, corporate-dominated food system does not completely dominate all food production, yet it has caused so much instability, hunger and malnutrition, giving us the signs of the necessity for preventing it from expanding further. Second, although many of the world's small scale farmers are in some way integrated into the corporate food chain through corporate controlled inputs such as seed, fertilisers and pesticides, and sell on their produce to corporate distributors, processors, wholesalers and retailers, there is still this base of small farmers from which to build food sovereignty, and many of whom are organized under the global peasant movement, Via Campesina.

The South African Situation

South Africa largely mirrors the global trends of corporate concentration in the food system and hunger and nutrition indicators. With high structural unemployment (some estimates place it at over 40 per cent) and 60 per cent of South Africa's population classified as poor, food consumption is tenuous and price increases have a devastating impact. Various quantitative and qualitative studies conducted in poor communities confirm that increasing food prices are causing widespread hunger. For instance, the General Household Survey of 2009, suggests 20 per cent of households have inadequate or severely inadequate access to food, which translates into 2 762 400 households. In a recent survey it has been shown in some poor urban areas, 70% of households are food stressed. Government through its own admission believes that there are 12 million South Africans who are 'food insecure'. According to the National Development Plan (NDP), one out of five young children experience stunted growth due to micronutrient malnutrition. This affects not only children's growth, but their mental development, so it is believed that these one in five children enter school with a much lower IQ than those who have been properly nourished. Such food insecurity therefore has devastating present, and especially future, impacts on our society.



South Africa is firmly situated within and integrated into the global industrial food system. Despite the high levels of food insecurity, the country is a net agricultural exporter, sending much of the food produced in the country to profitable overseas markets. A key historical process that removed the ability for broad control over national food production was colonial and apartheid land dispossession, which transferred a key basis for food production - land - into the hands of a small minority of farmers, who then received state support to grow into the formidable, yet concentrated, commercial farming sector

that South Africa has today. Along the food chain there is also much concentration by different corporations and companies, in seeds, milling and processing, wholesale, retail and so on. Key features of the South African agricultural and food system thus include:

- **Continued unequal land ownership due to failed land reform and lack of agrarian transformation** - the vast majority of agricultural land remains in the hands of a small number of largely white farmers. The result is that 80% of the food produced in the country is produced by 20% of the country's farmers;
- **Concentration in the food chain** - the number of players in each point of the food value chain are small and the size of each large, especially in inputs (seeds, machinery, pesticides, fertilisers, finance etc), farm products, processing, and wholesale and retail
- **Liberalised and de-regulated agricultural sector** - this has opened South African food to the instability of world markets, reflected in rising food prices. The state also removed much of the supports that allowed the white agricultural sector to prosper, instead of extending such support on a more equal basis. This means that farmers, especially small farmers, operate in a very difficult environment, and struggle to compete with larger, mechanized farmers and with cheap imports. The state continues its support for a highly commercialized and export-oriented agricultural system in the National Development Plan, which explicitly argues that South African agriculture should focus on 'high value' products for export, and not on basic food stuff and staples, rather relying on foreign exchange from agricultural exports to pay for food imports. Essentially, the NDP wants to reduce the capacity of the country to directly feed itself by producing the most-consumed foodstuffs.
- **A state that is favourable to corporate interests** - this is linked to the above point, and is reflected in the orientation in agricultural policy and land reform to support black commercial farmers to operate in the realm of 'agri-business', tied into corporate supply chains and supplying existing commercial wholesale and retail markets. If anything, the state has encouraged corporate control over the food system. This is reflected strongly in its embrace of genetic modification (GM) technology. The interests of the companies producing this technology, such as Monsanto and Syngenta, are more about control of seed systems and profit than the interests of farmers and the ending of poverty. In short, the state is facilitating the

corporate control in the food system rather than trying to open up new space for new and small farmers;

- **Ecological impacts** - South Africa's food system is highly industrialised and so uses a high level of chemicals and pesticides. The monocrop nature of much of the country's commercial farming reduces biodiversity and requires large applications of pesticides, herbicides and fertilisers. The widespread use of GM seeds also has negative ecological impacts, because they require increased use of herbicide spraying.
- **Lack of policy focus on urban agriculture** - a very large number of South Africa's food insecure and malnourished population live in poor urban areas. However, there has been a lack of clear policy focus and practical support for urban agriculture, despite the fact that it can have a number of benefits, including job creation, decrease in food miles and so carbon emissions, improved nutrition and health, and urban improvement and regeneration. In some places, such as Johannesburg, the state has started to focus on urban farming through the city's Food Resilience Programme. However, this is still based largely on a purely commercial notion of urban farmers, producing commodities for commercial retail chains, rather than establishing local food economies and so linking local production directly to local consumption. Furthermore, programme such as these attempt to control local initiatives through patronage and support, and so are problematic when viewed from the standpoint of food sovereignty, which focuses more on power and democracy in the food system and so avoids state control.

In response to this unequal food system, and the understanding of how it produces hunger, there are growing food movements all over the world that are fighting to reclaim control over the food system by building local and alternative ways of meeting food needs, by challenging and demanding the control and regulation of corporations, and working for justice and fair treatment of workers in the food chain. These movements are organised under various banners of 'food sovereignty', 'food justice', 'fair trade', 'right to food' and so on, all with the central precept of justice in the food system. Such movements and alternatives have also found traction in South Africa.

The Alternative: Food Sovereignty



The world peasant movement, La Via Campesina (Movement of the Peasants) developed the concept of food sovereignty in 1996, the short definition of which is “the right of nations and peoples to define their own food systems, including their own markets, production modes, food cultures and environments”. Via Campesina, as an anti-capitalist social movement, is one of the largest social movements in the world (it has been described as “the most important social movement of our time”), with over 200 million members, 183 member organisations, and is organised in 88 countries.

Working for food sovereignty means reshaping the relationship between humans, nature and food in ways that challenge capitalist relations and the separations that it has tried to create between these elements. To regain social control, power and democracy in the food system means challenging broader capitalist relationships and its oppressions, around land ownership, corporate control, the institutions through which food is produced, and so on. Those fighting for food sovereignty see their fight as not just a fight over food, but a broader social project to reorganise societies as well as their relationships to nature and food. In this sense the solidarity economy, as an anti-capitalist practice and vision that aims to transform society, can be positioned as a pivotal means of struggle and creation through which to build food sovereignty. The institutions of the solidarity economy, and the values and principles that guide them, provide key frameworks through which to ground production, distribution and consumption of food; subject it to collective democratic control; and so transform our food systems.

This struggle for food sovereignty has also taken root in South Africa, through urban agriculture, farming and bakery cooperatives in townships, local food markets, the unemployed taking actions such as a land occupation for building urban food sovereignty, rural farmers movements actively working to practice ecological farming and campaigning for land reform and suitable state support for small farmers, the food sovereignty and agrarian reform campaign in the Western and Northern Cape, organisations providing training on and support to agroecological farming, and so on. There is a certain level of consciousness, practice and experience from which to build the food sovereignty campaign in South Africa. Some of the organisations currently doing work linked to food sovereignty in South Africa include:

- **Surplus People's Project** - agrarian reform and food sovereignty campaign.
- **Trust for Community Outreach and Education (TCOE) Network** - this network includes organisations such as Masifunde, Rural People's Movement, Zingisa Education Project, Itereleng Farmers Association, and so on. They work with small farmers and movements around issues of seed, land rights, workers rights, food sovereignty and so on.
- **African Centre for Biosafety (ACB)** - campaigns against the spread of genetic modification (GM) into African food systems. It also conducts intensive research and produces highly informative research reports and information.
- **Biowatch South Africa** - monitors, publicises and researches issues around genetic modification. It also works with small scale farmers on agroecology, food and seed security, food sovereignty and farmers' rights.
- **Abalimi Bezekhaya** - an urban agriculture association, working with over 3000 urban farmers in areas in Cape Town.
- **Association for Rural Advancement (AFRA)** - works with households in rural areas of KwaZulu-Natal to encourage and support low-input household food production.
- **CSAAWU** - farmworker union fighting for farmworker rights, wages and decent working conditions. The union played an important role in the recent farmworker strikes.
- **Ntinga Ntaba Ka Ndoda** - a community heritage and development organisation in the Eastern Cape that is planning, building its capacities, and working to facilitate and realise a community-driven development process. Key aspects of this programme are the solidarity economy and food sovereignty logics.

- **Ivory Park Solidarity Economy Education and Communication Cooperative (SECC) and urban food producing cooperatives** - the SECC is promoting a food sovereignty campaign in Ivory Park, working with farming cooperatives and small scale farmers around the food sovereignty vision.
- **Masibambane Unemployed Project (MUP)** - The most active branch of this organisation is based in Tsakane and has occupied urban land for farming. It has been farming since early 2012 and is actively doing so within a food sovereignty logic. It has started a community Solidarity Economy and Food Sovereignty Forum and is developing a food sovereignty strategy for Tsakane.
- There are also many initiatives taking place at local and/or project level that are doing some amazing work but are not linked in with a wider process or movement.

Challenges to Build a National Food Sovereignty Campaign

1. As shown above, there are many movements and initiatives that are doing important and progressive work on food issues. However, the main challenge is that to a large degree they have failed to link up into a concrete national platform from which to promote food sovereignty and associated issues around land, seeds and so on. A key challenge, therefore, is for these movements, initiatives, organisations and projects to unite under a banner of food sovereignty in order to work more tightly in a coordinated way to fight for food sovereignty in South Africa.
2. Building on organisations' strengths - closely linked to the above point is that many organisations have been working and campaigning in the areas of land, food and food sovereignty and so have much experience, knowledge and progress to offer the campaign. It is important to note therefore that this campaign does not intend to re-invent the wheel, but must rather ensure that it unites everyone based on their strengths and the work they have already been doing. The question therefore is to bring all of this together into a coherent and unified national campaign that integrates all this work, campaigns and experience, but that can also go even further and develop new perspectives, strategies and practices as it pulls the various strands together.



3. De-agrarianisation - some have argued that we have experienced de-agrarianisation in South Africa, whereby land dispossession, labour migration and now a liberalized agricultural sector have to a large degree severed people's attachment to the land and therefore to agriculture and food production. However, there still remains in many places impulses for local agriculture, in both rural and urban areas. This will also be linked to other aspects of the campaign, such as achieving appropriate state support for small scale agriculture and so on.
 4. Knowledge and training - while traditional and agroecological farming knowledge still exists in South Africa, much of this knowledge has been eroded and disappeared over time, due to some of the above factors. A key challenge of the campaign will therefore be to ensure intensive knowledge building, sharing and dissemination on agro-ecological methods of production, the central production method for achieving food sovereignty. A further challenge will also be to raise awareness and revive consciousness and interest in agriculture and food production, and specifically broad social awareness of the food sovereignty alternative and its alternative political economy, in which the solidarity economy has a crucial role to play.
 5. Holding the state accountable - an important reason for the decline in the number of people involved in agriculture in South Africa is the difficulties farmers face due to insufficient support around finance, access to markets, inputs and so on. Moreover, the state has a constitutional obligation to support the right to food such as through school feeding schemes, school gardens, urban and rural scale farmers, community works programs and the like. However, the state has to fulfill its mandate and commitment to the right to food in a manner that does not create dependence and patronage networks that are used as voter banks. Hence, a further challenge for the campaign will therefore be to pressure the state to provide the types of support that will help to build food sovereignty in South Africa, while realizing the right to food.
- Conduct education and training about the problems and challenges facing South Africa's corporate controlled commercial food economy;
 - Reclaim the food system as part of advancing food sovereignty and the solidarity economy;
 - Pressure the state to implement policies that support small scale agriculture and ecological farming techniques, implement effective land reform and agrarian transformation, greater support for urban agriculture and for the right to food;
 - Build a national food sovereignty movement involving NGOs, small scale farmers and Solidarity Economy Movement;
 - Challenge corporate influence and control of our food system;
 - Build local level alternatives through the solidarity economy to realize food sovereignty.

Who will be targeted to participate in the campaign:

- Communities and organisations that COPAC is currently working with;
- Other progressive food initiatives, such as cooperatives, agroecology trainers;
- Farmers' associations;
- Progressive NGOs and other organisations that are working on food issues, with supporting small scale farmers etc.

A food sovereignty campaign could be divided into 5 components:

1. Challenging the state and corporate dominance in the food system;
2. Reclaiming the food system by developing the food sovereignty alternative in practice;
3. Realising food sovereignty through right to food dialogues between the state and civil society;
4. Awareness raising and communication;
5. National Campaign Organiser and Coordination Committee.

Objectives of Campaign:

- Unify all organisations championing food sovereignty;
- Consult with communities about their food issues;
- Raise awareness about causes of hunger;

(1) Reclaiming our Food System Through Building Food Sovereignty Structures

- Understanding food sovereignty - a food sovereignty activist guide will be developed;
- Agroecology training and practice - agroecology training schools will be held nationally, and localized training will also occur as organisations bring in trainers and as those trained train others;
- Establishing local seed banks;
- Through the Solidarity Economy Movement establish worker cooperatives in farming, bakeries, peoples restaurants and other food processing activities;
- Develop local solidarity economy and food sovereignty forums for local education, communication, knowledge sharing, problem solving and coordination;
- Consumer awareness raising about the importance of food sovereignty and eating nutritious, healthy food;
- Develop networks between sites and cooperatives. For example, worker cooperatives to consumer cooperatives.

(2) Targeting the State and Corporations in the Food Sector

- Campaigns for land reform;
- Campaigns against high food prices - these can be both national and localized, depending on the food mapping undertaken of each community. For example, a local campaign against retailers for high bread prices could then lead to an establishment of a community worker cooperative bakery as an alternative to high bread prices, linking the oppositional struggle against the corporate food regime to an alternative to begin reclaiming the system;
- Demands for agroecology-based extension services;
- Campaigns against GMOs;
- Pressuring the state to support urban agriculture: designating land for urban agriculture, providing

assets and equipment, ensuring access to water, providing local market places for selling of output etc;

- Pressure the state to provide infrastructure and support for small scale farmers in rural areas to move their surplus to markets in urban areas;
- Campaign against the NDP's plan for agriculture and rural development, which aims to further commodify and 'partition' food production systems in South Africa, geared towards export of 'high value' foods and import of staples.

(3) Realising Food Sovereignty through Right to Food Dialogues Between the State and Civil Society

The above could be some important content for the campaign, but a further process of dialogue will help further refine localized food issues and consequent actions in the campaign. This will involve provincial dialogues that lead up to a national dialogue on food sovereignty and the fight to food. This will involve:

Face to face preparatory engagements with identified movements, government departments and other relevant stakeholders to filter relevant themes and issues for the conversation and preparatory engagements:

- Encourage 'constituency conversations' as part of the build up to provincial dialogues;
- Photographic documentation of food challenges and initiatives, to form part of the provincial and national dialogues. In other words photo exhibitions;
- Preparing a base line of research relevant to food issues in each province, which can serve as a dialogue resource;
- A provincial and national spatial map of key food challenges;
- Develop popular media like a poster for the national conference, through input from provincial stakeholders;
- Host an essay competition in a few schools in relevant dialogue provinces on food challenges, with the winners being given a place in the provincial and national dialogue;
- Host an essay competition in a few schools in relevant dialogue provinces on food challenges, with

- Using social media, including Twitter, Facebook and relevant websites to expand the conversation both 'inside the dialogue room' and beyond.

(4) Awareness Raising and Communication

- Pamphlets for use in local campaigns and spreading information on food sovereignty in general, specific issues around food etc;
- Radio - activists speak on local radio shows as well as on national radio about the campaign;
- Newspaper - activists write articles for local, provincial and national newspapers. They can also get local newspapers to cover initiatives, such as marches, establishment of new cooperatives etc;
- Photo exhibitions and food issues and alternatives;
- Activist training guide on food sovereignty;
- Community dialogues to help design local campaigns;
- Agroecology training;
- Exchange visits there are many organisations working in the country on important local initiatives that are part and parcel of building food sovereignty. Exchange visits could be organized to visit initiatives in order to learn, network and connect these initiatives;
- Get documentaries made about hunger and the food crisis in South Africa and the food sovereignty alternative.

(5) Campaign Coordination and National Organiser

A national campaign committee will be established to meet every three months to provide strategic direction to the campaign. This committee will be made up of representatives from all organisations supporting the campaign. These organisations will share and seek out common resources for the campaign. Moreover, this committee will be the public face of the campaign and will guide the work of a national organizer.

A national organiser will be employed to coordinate the national activities, ensure communication and coordination between them, and oversee communication and awareness raising activities.

Ivory Park Solidarity Economy and Food Sovereignty Forum Meeting Focuses on Seed Saving

Moeketsi Monaheng

The Midrand Solidarity Economy Education and Communication Cooperative (SEEC) held its first forum of 2013 in March with a bang by hosting visitors from Biowatch. Biowatch is an organisation based in Durban that challenges the industrial agriculture model and demonstrates ecologically sustainable alternatives to ensure biodiversity, food sovereignty and social justice.

Lawrence Mkhalihi, an agro-ecologist from Biowatch, spoke to us at the forum, which was attended by different members of the community, mainly farmers in local cooperatives as well as other solidarity economy actors. The purpose of the forum was to workshop farmers and community members on the importance of saving seeds. Seeds are vital to the food we consume which in turn contributes to and affects our health and ultimately our future. It is therefore important for communities and farmers to control their own seed systems, as this is an important part of controlling local food systems and therefore of building food sovereignty.



The forum kicked off with discussion amongst the audience on the kind of seeds common in Ivory Park and three categories were identified:

- 1) Vegetables - Beetroot, Spinach, Carrots, Cabbage and etc.
- 2) Grains and Cereals (staple food) - Pumpkins, potatoes, maize, sorghum etc.
- 3) Fruits and trees.

The second two categories of seeds, grains and cereals, are the easiest to keep and save for planting in the next season. The first, vegetables, are more difficult, but can be done with knowledge and training.

Lawrence spoke about how saving seeds is not just about the seeds themselves, but fits into a larger food system and efforts to build food sovereignty. The forces that affect food sovereignty are both internal (projects and communities) and external (government, industries and donors).

Agro-ecology is an a central practice in building food sovereignty, and variously refers to the following practices in agriculture: organic farming, permaculture, biodynamic farming, as well as Participatory Guaranteed System (PGS, involving locally produced, locally monitored and locally consumed agricultural products).

We also learnt from Lawrence how, to build an agro-ecological system in communities, there should be different levels of production in a garden:

1. Household agro ecological garden (including vegetables, herbs, flowers, hedges and fruits.
2. Seed plot used for multiplication of seeds.
3. Sweet potato field/ plot which serves the whole family
4. Food plot where food for the family is produced
5. Commodity plot where production is for market
6. Livestock area which is meant for keeping family livestock like Rabbits, chickens, pigs and etc.



Lawrence presented the above based on a family garden, but a similar model is useful to think about for a farming cooperative, for example.

For communities to develop seedbanks, they have to use organic and what are called Open Pollinated Varieties (OPV), which are seeds that are naturally bred and have not been tampered with and changed in laboratories and so on. So seed banks can be started using these seeds, as well as with other seeds. You can speak to farmers and elders about what has been grown in your area and ask them for traditional or local varieties of seeds that they may have. These seeds can also be gotten through families passing them on to each other through marriage, for example, so you can also ask family and friends in

rural areas for seed varieties. Developing such local stocks of seed is crucial in developing food sovereignty in a community.

Moeketsi Monaheng is an activist and board member of the Midrand Solidarity Economy Education and Communication Cooperative (SEECC) in Ivory Park. He can be contacted at moemona12@gmail.com or seeccmidrand@gmail.com.

Why Did We March Against Monsanto?

Andrew Bennie and John Treat



On Saturday, May 25th, hundreds of coordinated protest actions took place in dozens of countries around the world as part of the global 'March Against Monsanto'. In Johannesburg, several hundred protestors gathered outside Monsanto's offices in Fourways. Additional actions took place in Durban, Cape Town, Tzaneen and other locations around the country. The level of turnout and coordination for these protests was truly astounding, considering they all came in response to a post on Facebook from a lone, fed-up parent in the US just three months prior.

Some may be asking, 'Who is this Monsanto, and why were so many people prepared to spend a Saturday marching against it?'

Monsanto is a major, US-based agro-chemical company, and currently the world's largest commercial seed producer, controlling 23% of the world seed market. However, the company's early activities included manufacturing chemicals for war. Monsanto was heavily involved in creation of the atomic bomb, and later developed the notorious 'Agent Orange', used extensively to destroy the forests of Vietnam in support of the US invasion, and which continues to cause enormous human and ecological damage.

After the war, Monsanto diversified its operations to the production of chemical pesticides. One of the company's best-known products is the herbicide 'Roundup', which is used extensively around the world. Its key ingredient, Glyphosate, has been promoted as less toxic than other herbicides, although ongoing research continues to raise questions about its safety.

Monsanto has also been at the forefront of the development of 'Genetically Modified' (GM) seeds, and is now the world's largest producer. GM seeds are seeds whose genetic information has been manipulated in laboratories in order to create organisms with 'novel' characteristics: for instance, soya beans that are resistant to the Glyphosate found in Roundup. Coupled with the aggressive pursuit of patent protections, this seed-manipulation technology potentially gives Monsanto enormous power over our food systems. Monsanto has even sued farmers whose fields have been contaminated by Monsanto products growing in neighbouring fields, compelling them to 'prove' their innocence.

The health impacts of GM food are hotly contested. Many studies have shown adverse health impacts, and much of the 'research' demonstrating GM safety is funded by Monsanto or other vested interests. World-renowned geneticist David Suzuki calls the entry of GMOs into our food systems a 'massive experiment'. Monsanto aggressively fights against mandatory labelling of foods containing GMOs, but the South African government has approved GMO maize, soyabean and cotton.



Seed lies at the very basis of our food systems, and therefore of life. Monsanto's attempt to control the world's seeds is an outrageous, arrogant, dangerous attempt to control life itself. More than 80% of maize seed sold this season was GM, the vast majority belonging to Monsanto, and the company has a virtual monopoly over the country's GM market. South Africa is the only country in the world where the main food of most people, maize meal, is genetically modified. Yet, the majority of South Africans are completely in the dark about the risky food they have been consuming every day for more than a decade.

There is an alternative: *food sovereignty*. The ideas behind the global food sovereignty movement originate in Latin America with the 'La Via Campesina' mass movement, and were developed to oppose the paternalistic concept of 'food security' advanced by global

powers. 'Food security' fails to address questions of *power and agency*: of who produces food, how they produce it, who decides, who benefits, and in what ways. *Food sovereignty*, by contrast, emphasises people's rights to democratically decide how their food needs will be met, rather than being forced to rely passively on the self-interested, profit-driven business decisions of corporations, and on the chaotic market forces that follow.

At the heart of the food sovereignty approach is a method of production called 'agro-ecology', which applies ecological principles and techniques to the design and management of food-producing ecosystems. Contrary to the widespread belief that only large-scale, industrial agriculture can feed the world, the key recommendations of a major international report by several multilateral institutions (including the World Bank, hardly known for its 'radical' proposals) was that governments should support agro-ecological approaches, based on small farms and methods that are ecologically, culturally and socially suited to their contexts.

Around the world, growing numbers of people, communities and organisations are creating these alternative practices and institutions, from rural movements fighting against land dispossession and for land reform, to countless local distribution networks and market spaces. This momentum is also taking root in South Africa - in townships on the urban fringes, in poor, rural communities, even in suburbs - as the harsh realities of our unfair and unreliable food system become more and more obvious. Responding to the failures of the crisis-prone and increasingly discredited global system, and despite the embrace of GMOs by the South African government, the people of South Africa increasingly demand solutions that place people and nature, rather than profits, at the centre of our food systems.

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International News

Brazil Passes New Law on Worker Cooperatives

Euclides Andre Mance

Over time, cooperatives can suffer from internal and external pressures that lead to the distortion of some cooperatives, away from their values and principles, becoming more like capitalist businesses. In Brazil it was no different.

On the one hand, the success of many cooperatives transformed them into big economic actors. But instead of maintaining the principle of inter-cooperation and using their power to contribute to the birth and development of other cooperatives that could provide solutions to poverty and unemployment, many of them preferred to share the benefits amongst the directors and increase the number of salaried employees (as opposed to worker members), without the right of vote, thus decreasing the number of members with rights to decision making in the cooperative.

On the other hand, capitalist enterprises, seeking to reduce their costs, have encouraged the formation of cooperatives as a way of outsourcing labor. In this way, employees of a company are invited to create a cooperative, and the cooperative is then contracted by the company to perform the same service as the workers did previously. And so, the company reduces its labour costs and avoids paying other benefits to workers, like social security.

The solution to the first problem (the absence of cooperation between cooperatives) depends fundamentally on the cooperatives themselves. But the second problem (of labour outsourcing) was dealt with in Brazil with the approval of a new law on worker cooperatives, Law No. 12.690/12. The new law makes it illegal to create cooperatives for companies to outsource labour to. Companies that try to outsource labour through cooperatives to avoid the requirements of labour law and other relevant legislation applicable to workers could even face criminal charges.

The debate in Congress about this law lasted 8 years. Although there was already legislation that prevented this kind of hiring, there was also an interpretation of the law that opened space to this practice. With the new law on worker cooperatives, however, it is now very clear that it is illegal for a private or public company to use subordinated labor that has been contracted out through a worker cooperative.

The new law defines cooperative principles, as follows:

- a. free and voluntary membership;
- b. democratic management;
- c. economic participation of members;
- d. autonomy and independence;
- e. education, training and information;
- f. inter-cooperation;
- g. community interest;
- h. preservation of the social rights, the social value of work and free initiative;
- i. avoidance of precarious work;
- j. respect for the decisions of the workers' assembly, subject to the provisions of the law No. 12.690/2012;
- k. participation by workers in management at all levels of decision-making, in accordance with the provisions in the law and in the social contract of the cooperative.

The new law also creates new rules for worker cooperatives, such as minimum wages for members. Among the main innovations introduced by law No. 12.690/12 are the following: the minimum number of members to constitute a work cooperative shall be seven members; salaries cannot be lower than the minimum for the professional category or than the national minimum wage; workdays should be a maximum of eight hours, with compensation for shifts and scales, but overtime is prohibited; weekly and annual paid rest; salaries for nightshift work needs be higher than for daytime work; there should be additional compensation for unhealthy or dangerous activities; insurance for accidents at work; compliance with health and safety standards for the work; holding at least one annual Special General Assembly to address, among other issues, rights and duties of members. In theory, the law sought to ensure that a worker cooperative has the same obligations to each member that an employer has to his or her employees, in order to prevent the use of cooperatives to reduce labor costs by enterprises which contract them.

Other interesting aspects include paragraph 3 of article 7, which allows worker cooperatives to create funds, including rotating funds for providing funding to other cooperatives. This allows for finance to be built up within cooperatives and the wider worker cooperative and solidarity economy movement, an important component of such movement building.

Some cooperatives are excluded from the new law, such as health care cooperatives, cooperatives operating in the transport sector and regulated by the government, cooperatives of professionals and medical cooperatives whose fees are paid per procedure - as long as they fulfill specific conditions.

Importantly, the law also makes provision for the creation of the National Program for the Promotion of Worker Cooperatives, which was established within the Ministry of Labor and Employment, in order to promote the development and improvement of economic and social performance of the Work Cooperatives. Specifically, its role is to: support the production of diagnostic and institutional development plans for worker cooperatives; provide technical support aimed at strengthening financial management, organization of the productive process of work, as well as in the improvement of human resources; provide access to suitable credit lines; assist with access to markets and marketing of their products; institutional strengthening and the cooperative education; and the establishment of central cooperatives, federations and confederations of cooperatives; and other actions which may be defined by its Steering Committee. It isn't clear yet how this program - which requires subsequent regulation - will cover all existing cooperatives in the country, which must adjust their practices to the new law within one year. However, the new law is a welcome step in supporting the creation and strengthening of worker cooperatives in Brazil and ensuring that the worker cooperative model is developed according to its real values and principles.

Euclide Andre Mance is a philosopher and participated in the founding of the Philosophy of Liberation Institute in Brazil. He also participated in the founding of Solidarius Brazil, and manages the website www.solidarius.net, which houses information technology tools for the solidarity economy network in Brazil. He has also been active in organising solidarity economy networks in Brazil for over 12 years.



Discussion, Note and Research Page





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We invite organisations and activists to make contributions to the Newsletter through writing stories, contributing photographs or cultural contributions, such as poetry, art, songs etc.

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