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# Self-organisation in solidarity economies

*Teppo Eskelinen, Sunna Kovanen & Ruby van der Wekken*

Solidarity economies aim to challenge unjust and unsustainable capitalist practices by re-organising the economy. The concept and practice has emerged mostly from World Social Forums and self-organisation of workers and producers in South America as a part of anti-globalization movement at the late twentieth century. (Alhojärvi et al. 2015; Laville 2015, 46-47). The concept refers to local value-based production and various forms of everyday-life economy, such as fair trade, worker collectives and care work. It also refers to the visions of upscaling the principles of these forms via producer-networks and political movement. Therefore, user-producers are the makers of solidarity economy, not consumers or investors. Producers in solidarity economy aim at respecting direct democracy, equality, ecology and shared responsibility instead of reaching first and foremost for monetary profit, and thus upholding and fostering commons and commoning.

Cities are core spaces in experimenting with these new production patterns, as urban space itself can be seen as constantly co-produced and -used by its dwellers, in other words, as commons (Kip 2015, 42). Commons are common goods that flourish only if their user-producers are able to develop practices of commoning: a culture of cooperation, conflict-management and learning of receptiveness to the needs and subjectivities of others (Kip et al. 2015, 9; Ramos 2016, 3-4). These experiments of value-based management of urban commons are often, however, ostensibly exhausted by the state and the market, calling for a need for social and physical spaces transcending this false dichotomy. The process

of building diverse economies might then generate new structures beyond, but not necessarily without market and state. (Bollier & Helfrich 2015, 10).

## **Solidarity economies: principles and spaces**

Self-organisation in solidarity economies should be understood as distinct from 'traditional' civil society, as the core of the practice is to redefine economic value and means of sustaining life. The actors are, however, diverse, and especially in Finland many social cooperatives, NGOs or loose working groups follow solidarity economy principles without wanting to be identified as primarily solidarity economy actors. Self-organisation of these actors implies negotiation of different alliances between actors themselves, between for-profit and public sectors as well as for and against relevant policies. These are open processes and evolving systems, and cannot be entirely captured by the general notion of 'organisation' implying a static system. A 'solidarity economy map', (<http://viewer.transformap.co>) is used to spread information so that actors with common political and development needs and solutions may find each other more easily.

Even though solidarity economy is not a single coherent movement, the idea itself could open a core space of negotiation about the most important common rules and aims between the actors of new economies in the city (Eskelinen & Kumpuniemi 2017). The negotiation and cooperation are important firstly to secure urban commons from constant privatization. Common spaces are the basis of self-organised production, such as urban gardening, repair workshops, shared housing and meetings. However, this co-work to meet *the basic human needs* is commonly not recognized as justification to use and govern properties in passive use.

(Venäläinen 2011; Ortiz 2015, 19). Secondly, if user-producers act individually identifying only with ‘entrepreneurial movement’ (Lyons & Hamlin 1996, 2-5), their effort is easily focused on competing on the market, instead of organising a good city for all in a long term.

## **Self-organisation and the government**

As such, what the concept of self-organisation does *not* mean is functioning independently or separately from the wider society. As mediation between the rights and needs of all possible users of an urban commons is hardly possible to steer from the self-organised nodes only, the structures and resources of formal governance unavoidably contribute to urban commoning in some ways.

Solidarity economies would greatly benefit from a ‘partner state’ or participatory local governance and planning models, especially in Finland with the tradition of welfare state mechanisms. Bauwens and Kostakis define the partner state as ‘a cluster of policies and ideas whose fundamental mission is to empower direct social-value creation, and to focus on the protection of the commons sphere’ (Bauwens & Kostakis 2014, 66). The partner state idea requires avoiding simplistic critiques of the government, and thus should not be based on ‘the destruction of the public infrastructure of cooperation’ along the big society model (Bauwens 2012). Rather, flourishing commons and peer production require civic wealth and strong civic institutions.

A partner state can, then, first, allow experimenting and maintaining ‘protective spaces’ (Smith & Raven 2012). Second, it may be an open governance practice allowing participation of citizens, as well as a (partly) commonising of its institutions.

# Timebanks as an example

Timebanks are an example of a self-organised economic system and a tool for promoting commoning. In a timebank members exchange services using an egalitarian time currency, in Finland 'tovi' (one hour). Timebanks aim at creating a parallel system of exchange, based on values of equality and reciprocity. Timebanks have an internal accounting system for keeping record of the accounts of members. In a timebank a member can provide services for others, for example fix a bike, gain tovis for that, and request services from other members with one's earnings.

No wealth is created in the sense that the accounting system balances at zero, yet community building, recognition of skills undervalued by the market, and engagement produce vast social value. Timebanks have existed in Finland in some form for relatively long and the currently largest and most visible timebank STAP (Stadin aikapankki) came into existence some 7.5 years ago.

Timebanks in Finland create an exchange and decision-making platform without formal organisation. Thus, the roles of members, content of exchanges, working principles, reactions on external pressures, and links to other similar initiatives are open to negotiations. An example of self-organized process for defining principles is Helsinki Timebank's ABC (Stadin Aikapankki 2017), where STAP claims as its objective 'to support mutual assistance between people, and through this strengthen communal culture'. The ABC also clarifies, that new members must show a commitment to solidarity economy values.

Self-organised value-creation in a timebank emphasises the need to embed economies in (ethically motivated) human interaction as well. Timebanks are then methods to push a more localised and communally managed understanding of economic exchange. Each

national context has different responses to timebanking. This is most visible in issues as taxation or job market regulations, or willingness to incorporate timebanks into the existing voluntary sector.

## **Time tax: beyond the state organisation, with the welfare state values**

In 2013 the Finnish tax authority decided that so-called professional services exchanged within a timebank are liable to taxation, according to their market value. This was seen by the timebank as fundamentally undermining its core principle of equality. In response, Helsinki Timebank suggested a tax-exempt period of 2 years, for assessing the social implications of timebanking along with the time tax proposal. The time tax is an existing system of taxation which adheres to the timebank's idea of value. Currently, from every tovi received by providing a service in the timebank, 2 per cent will be allocated to economic actors of choice within the timebank. This principle could expand to include also public actors, thereby becoming members of timebank and recipients of the timetax. This is an example of taxation with the intention of commonifying the public sphere rather than privatising it.

What this proposal asks for is a recognition of the timebank and its time tax as a solidarity economy builder. Further, commons and commoning are promoted as objectives for public policies and tools with which to address current social and ecological pressing issues.

In the case of the timebank this would imply governments' willingness to learn from the values of timebanks, and to allow the reformation of their institutions respectively. Timetax a) emerges from the existing practices of the timebank; b) does not attempt to

impose any external idea of value beyond the members' self-definition; c) enlarges the operating space of the timebank; d) engages public institutions to follow the citizen-defined value basis and allow for transformation. Therefore, it can be seen as following the ideals of self-organisation.

## **From reorganisation to transformation**

Solidarity economies are prime examples of self-organising, but in a very specific sense. In the context of common economies, self-organising should be seen as an active, open-ended process of cooperation and collective learning for resilient management of spaces and resources, instead of a particular kind of organisational structure.

Self-organising within solidarity economies is also a political approach, and therefore organisation cannot be understood as distinct from transformation. Transformation is required in the definition of economic value, ways of community building, and rights to occupy space. This space can mean concrete urban space or social functioning space, which is not self-evident but grows in cooperation with the state and market, encouraging them to adhere ever stronger the values of commoning.

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