

EXPANDED ABSTRACT

The economy for the common good and the social and solidarity economies, are they complementary?

This paper analyzes 3 alternatives to the neoliberal capitalist system: The Social and Solidarity Economy and the Economy for the Common Good in order to identify what common characteristics they share, such as values and social objectives, as well as their differences. We also seek for those aspects that could complementary one another at different levels, such as the organization and business management, the markets function, the role of the State and the citizenship, all of them key factors to transform our present economy in an democratic, fair and sustainable alternative.

Today's global crisis is an environmental, economic, social and political crisis that has fuelled the academic debate around alternatives to the neoliberal system, and the practices of the social and solidarity economy as means to overcome these issues and transform our economic, social and political reality. This debate, in fact, has moved from the academic field into the political and legal arena. In 2009, The European Parliament passed a resolution on the Social and Solidarity Economy (SSE) in order to acknowledge and promote it. Afterwards, in 2015, The European Social and Economic Committee gave a favourable opinion on the Economy for the Common Good and the creation of a "European ethic market".

This is a theoretical study. On section 2, we introduce the main characteristics of the Social Economy first and then the Solidarity Economy, to end up explaining how they merge in a unique term: The Social and Solidarity Economy as well as what their practical proposals are to transform the economic system. On section 3, we focus on the Economy for the Common Good, starting with the definition of Common Good, we introduce later its main transformative proposals. On section 4, we identify the similarities and differences between these three – The Social and Solidarity Economy and the Economy for the Common Good-, and how they complementary each other at different levels. We end this paper with some conclusions on section 5.

Multiple global crisis and heightened concerns about the social and environmental consequences of economic growth and liberalization have reignited interest in alternative production and consumption patterns and ways of organizing enterprise activities, with a considerable attention on Social and Solidarity Economy (SSE), which is used to refer to organizations and enterprises engaged in the production and exchange of goods and services that are autonomous from the state and guided by social objectives and values that place human well-being, cooperation and solidarity at their core.

These organizations include cooperatives, mutual associations, women's self-help groups, unions of informal economy workers, fair trade networks, and solidarity finance schemes. Many studies demonstrate that the SSE not only reduces the scope for negative social and environmental externalities associated with the conventional for-profit enterprise, but also fosters equitable patterns of resource and surplus distribution and promotes social, cultural and power relations that can be considered democratic, empowering and emancipatory.

On the other hand, the Economy for the Common Good has emerged in Europe as an alternative to replace an economic system that is running into fundamental structuring problems. Its founder, Christian Felber, seeks to address a capitalist system that creates a number of serious problems, such as unemployment, inequality, poverty, exclusion, hunger, environmental pollution and degradation and climate change. The ECG proposes an economic system that applies standards for human relationships as well as constitutional values to the economy in order to reward economic stakeholders for behaving and organizing themselves in a humane, cooperative, ecological and democratic way. For this purpose, five fundamental values: human dignity, cooperation and solidarity, ecological sustainability, social justice and democratic co-determination and transparency form the basis of the ECG model.

The ECG vision would be world changing and applies 20 utopian principles – including income caps, limitations on private wealth, and a move to nationalize natural resources to say a few. However, in the shorter range, the ECG activities are more pragmatic and attain to apply the Common Good Balance sheet to organizations and businesses. This balance sheet measures their contribution to these former five values and therefore, their contribution to the Common Good.

Businesses can make their Common Good Balance public, consumer awareness, nonetheless, in only one of the ECG targets, since it is necessary to get the administration involved in order to develop a system of economic benefits that awards sustainable and responsible organizations and enterprises against those that don't behave in an ethical and environmentally friendly way. In this regard, it is necessary to work locally and with grassroots groups, like the Solidarity Economy does, in order to create awareness and mobilize the public and politicians to change the predatory system we live today in for another that promotes human well-being. Politically and economically, the ECG is still on the fringes but it has already demonstrated its ability to draw together a partnership of companies, consumers and communities, and draw political attention. The SSE also works in line to receive the recognition and priority they deserve in national and international knowledge and policy circles. However, meaningful policy change requires a reconfiguration of social and political forces, coalitions and alliances as well as democratic governance arrangements that enable effective participation of intended beneficiaries and their advocates.

As a result of this study we've found that the SSE and the ECG share the same economic vision, the economic system must work to serve human beings and their well being and must be based on social values and objectives to attain it. For both, the Solidarity Economy and the ECG, this goal can only be achieved through emancipation and empowerment of people. In the Solidarity Economy, thanks

to the self-organization of citizens and their economic activities; in the ECG through the transformation of the representative democracy into a democracy that is also participatory and direct and places the system under democratic control. Both alternatives realize that this process involves a change in values first and for the most, and another way of thinking about economic activity.

The SSE has a longer tradition and a much broader field experience, while the ECG was created in 2010 with just one particular proposal. The SSE was originated to answer and solve immediate social problems, and the ECG thanks to the believe that is necessary to overcome today's economic predatory system with an alternative model that promotes human well being and is based on social values and objectives.

However, the SSE has very strict requirements for enterprises to be conceptualized as SSE businesses, while the ECG can host all different types of organizations and businesses, all of them can apply the Common Good Balance sheet (CGB), which works as a roadmap to re-direct their activities in line with the five ECG values that promote common good.

The Solidarity Economy believes there are numerous ways of organizing economically, and challenges the idea all development is like Western development, demanding that only the people should decide what development means for them and how they want to develop. However, the ECG has created a tool that seeks to transform reality from inside the markets. Economic decisions are still based on the prices, but these prices assume the social costs derived from economic activities. The application of the CGB aligns the enterprise activity with social needs and objectives in a way that the CGB helps to create shared social value. In our view, these proposals are complementary, and the reform of the market proposed by the ECG would be the right place for the development of SSE initiatives.

Both, the SSE and the ECG need the intervention of the State, not to solve the problems created by the markets, but in order to co-create a different type of market, but this can be attained only through the strengthen of direct democracy, new spaces for self-organization and common goods management, the redefinition of the concept of private property, the design of new development policies, the change in the economic incentives for businesses and the market, and even a change in the operating parameters of the public sector itself.

As limitations, we believe the SSE has difficulties to reach all sectors of society and align them with their program, while the ECG needs the administration to get involved to change the economic incentives of businesses and the market. And maybe, the major challenge, for the SolE and the ECG, is to demonstrate the democratic principles can be a method to regulate the economic production and consumption of goods and services.

KEYWORDS: Common good, social economy, solidarity economy, democracy, values, relational goods.