

member benefits
democratic

community

education

**The Social Economy
in Quebec**
Lessons and Challenges
for Internationalizing Co-operation

MARGUERITE MENDELL

November 2008

autonomy

participation



UNIVERSITY OF
SASKATCHEWAN

Centre for the Study
of Co-operatives

The Social Economy in Quebec

The Social Economy in Quebec

Lessons and Challenges
for Internationalizing Co-operation

MARGUERITE MENDELL

Centre for the Study of
CO-OPERATIVES



Copyright © 2008 Marguerite Mendell

All rights reserved. No part of this publication may be reproduced in any form or by any means without the prior written permission of the publisher. In the case of photocopying or other forms of reprographic reproduction, please consult Access Copyright, the Canadian Copyright Licensing Agency, at 1-800-893-5777.

Cover design by Byron Henderson
Interior design and layout by Nora Russell

ISBN 978-0-88880-544-7

Printed in Canada

08 09 10 / 3 2 1

Centre for the Study of Co-operatives

101 Diefenbaker Place

University of Saskatchewan

Saskatoon SK Canada S7N 5B8

Phone: (306) 966-8509 / Fax: (306) 966-8517

E-mail: coop.studies@usask.ca / Website: www.usaskstudies.coop

About the author: Marguerite Mendell is associate professor and vice-principal of the School of Community and Public Affairs at Concordia University in Montreal. She heads the Concordia research team on the social economy within a multi-university (Concordia, Université du Québec à Montréal, Université du Québec à Chicoutimi, and Université du Québec à Hull) partnership with more than thirty Quebec community-based organizations, unions, and coalitions, an initiative supported by the Community-University Research Alliances program of the Social Sciences and Humanities Research Council of Canada.

This booklet is based on a presentation given at the Canadian Association for Studies in Co-operation annual meetings at York University in May 2006.

The Centre for the Study of Co-operatives

THE CENTRE FOR THE STUDY OF CO-OPERATIVES is an interdisciplinary teaching and research institution located on the University of Saskatchewan campus in Saskatoon. Contract partners in the co-operative sector include Credit Union Central of Saskatchewan, Federated Co-operatives Ltd., Concentra Financial, and The Co-operators. The centre is also supported by the Saskatchewan Ministry of Enterprise and Innovation and the University of Saskatchewan. The university not only houses our offices but provides in-kind contributions from a number of departments and units — Agricultural Economics, History, Management and Marketing, and Sociology, among others — as well as financial assistance with operations and nonsalary expenditures.

We acknowledge with gratitude the ongoing support of all our sponsoring organizations.

The Social Economy in Quebec

Lessons and Challenges for Internationalizing Co-operation

THE SOCIAL ECONOMY IN QUEBEC presents lessons and challenges for internationalizing co-operation. This paper provides an overview of the contemporary social economy in Quebec, its many achievements and results in terms of job creation and the promotion of collective enterprise. The focus, however, is on the evolution of the social economy in Quebec as a *process*. The analysis highlights the many elements that have allowed the social economy to assume the place it occupies in Quebec society today and the challenges that it confronts. The process of its evolution has been, and will continue to be, vital to the progress of the social economy in Quebec, and it is this process that provides important lessons for other regions.

The experience in Quebec demonstrates the importance and the variability of institutional contexts in which the social economy emerges; in Quebec, alliances between social movements, labour, the co-operative movement and the community sector, and most significantly, the construction of an institutional context for multistakeholder partnerships committed to a framework of “distributed governance” have been critical to the development of the social economy. Social economy actors are engaged in institutional

innovation at several levels, not the least of which is the creation of a network of networks, the *Chantier de l'économie sociale*, and the development of enabling instruments — finance, training, business services, and research. They are re-embedding the economy in social contexts, designing sustainable approaches to development that meet the needs and desires of communities, and developing the appropriate tools to achieve this objective. This innovation and development represents the architecture of the social economy in Quebec today.

For more than a decade, there has been a growing interest in the social economy on the part of many actors in civil society, in associations, in communities across the political spectrum, from the call for renewed civic engagement to proposals to democratize the welfare state by having community, associations, and collective enterprise play an integral role in constructing a transformed or postwelfare state. This interest is reflected in the growing literature on “empowerment” (Mendell 2006). However, for any true empowerment to be effective, it must result in a substantive transfer of resources. If the social economy as it exists in Quebec and elsewhere is empowering, it requires new public spaces in which new and hybrid socio-economic arrangements can be negotiated. In fact, it requires “multiple public spaces” — many decision-making centres, multispatial subsystems of regulation; it requires institutional innovation. It is in these spaces that social economy actors can influence the allocation of resources through negotiated strategies of socio-economic development. The challenge is to co-ordinate these multiple publics into structured and hybrid meso and macro institutional settings. Simply stated, this implies co-ordinated decentralization and linkages with different levels of government. While American writers have referred to such decentralization and linkages as “comprehensive community development

strategies” in their work on place-based strategies, others refer to this as “co-regulation” as policy makers and citizens construct enabling policy environments (Fung and Wright 2003; Giugni et al. 1998; Sirianni and Friedland 2001). In essence, this implies a movement away from a localized and sectoral focus towards a political economy of citizenship that addresses the productive roles of democratic citizens in creating private and public wealth, of leveraging the capacity of citizens to construct collaborative alternative development strategies with private and public sector actors. This process incorporates innovations in community-based social service provision, job creation, the development of new sectors of activity, generic tools of development such as finance, training, research, an information commons, and so on. In the United States, there is common reference to the civic renewal movement and comprehensive community strategies; in Canada, these comprehensive community strategies are currently being adopted in pilot projects across the country.¹

The social economy in Quebec is an example of institutional experimentation that has replaced hierarchical forms of governance with deliberative processes in which the private, public, and popular community-based sector participate in negotiating socio-economic strategies. These processes confirm, in the words of Karl Polanyi, “the role of deliberate change in institutions” and the “freedom to change institutions” (1977), that is, the role of voice in policy design. The social economy in Quebec has its roots in popular culture, in oppositional movements. Today, it negotiates new social arrangements within a plurality of institutions that intersect and overlap. This is the result of what Gilles Paquet refers to as a process of “co-evolution,” a combination of learning, resilience, and cultural adaptation, as those more accustomed to confrontational or adversarial relationships establish collaborative partner-

ships to reach shared objectives (1999). Experience has shown that the incorporation of groups, movements, and associations into institutional spaces in which they co-habit and work in partnership facilitates the transformation towards more democratic forms of governance. Institutionalization of these practices and processes further facilitates their integration into the public agenda. Government turns to noninstitutional actors and participates in institutional innovation by initiating processes of co-regulation, especially when citizen-based socio-economic initiatives succeed where strategies adopted by government have failed. This is particularly true in Quebec due to the strong presence of social movements and to the networking of actors enabling them to negotiate with government with a single voice.

The social economy in Quebec has a long history. Its current prominence, however, began in 1996, when the Bouchard government (1996–2001) invited community groups and social movements to participate in a Summit on the Economic and Social Future of Quebec. The *Chantier de l'économie sociale* was one of two *chantiers* — “building sites” or “task forces” — assigned to propose strategies to address the fiscal and unemployment crises faced by the provincial government. Economic summits were not new to Quebec. *Concertation*, a term commonly used to refer to tripartite negotiations and conversations among major players in Quebec — business, government, and the labour movement — is embedded in the political culture of the province. The state — the government of Quebec — has been engaged in economic development strategies from the Quiet Revolution in the 1960s onwards (see Mendell 2002, 326–29, 336n7). Almost 40 percent of Quebec workers are unionized, placing labour in an important negotiating position, especially but not only in the public sector (Jackson and Schetagne 2003, 6–7). In this social arrangement to develop and steer the econ-

omy, the private sector is the powerful third partner, an arrangement that has characterized Quebec and has distinguished it from the rest of the country. Currently, the embeddedness of this configuration within Quebec culture is confirmed by the difficulties that the Charest government (2003–) has encountered in its drive to dismantle the so-called “Quebec model” and modernize the Quebec state (see Bourque 2000). The resistance comes from all social actors.

What was referred to as a “developmental state” in the literature very much characterizes Quebec from the 1960s and 1970s onwards, with the creation of numerous large state-owned enterprises (Leys and Mendell 1992). The nature of Quebec society and the commitment to build the Quebec economy was and is reflected in its openness to dialogue with major actors. The “partnership state” best characterizes what is often referred to as “Québec, Inc.” in order to describe the relationship among the Quebec government, labour, and business from the 1980s onwards as it established priorities for the Quebec economy and developed innovative strategies to achieve these goals. This was particularly the case in 1983 with the creation of the *Fonds de solidarité des travailleurs* (Workers’ Solidarity Fund) by the *Fédération des travailleurs(euses) du Québec* (FTQ, Quebec Federation of Labour), an important moment in the contemporary history of Quebec and for our understanding of its social economy as it evolves (Lévesque and Mendell 1999).

The *Fonds de solidarité* is, first and foremost, a pension fund made up of voluntary contributions by members of the Quebec Federation of Labour and ordinary citizens. The creation of the *Fonds*, however, provided the means for the labour movement to participate in the economic development of Quebec through its capacity to invest directly in enterprises and sectors where job

creation and job maintenance were assured. To protect its subscribers, the *Fonds* was also committed to directing a large percentage of its activities into secure investments with reasonable rates of return. The establishment of the *Fonds* in 1983 required both provincial and federal legislation; generous fiscal incentives were created to attract subscribers. While many focus on the impressive financial performance of the *Fonds de solidarité*, what is interesting from our perspective is the capacity it provided to the labour movement to engage directly in economic development and the vital enabling role played by the state. The *Confédération des syndicats nationaux* (CSN, Confederation of National Trade Unions) also established a labour solidarity fund in 1996, called *Fondaction (Le Fonds de développement pour la coopération et l'emploi)*, designed to meet socio-economic objectives; it enjoys the same fiscal advantages as the *Fonds de solidarité*.

Currently, the government of Quebec participates in a variety of financial instruments in the growing sector of “solidarity-based finance” (*finance solidaire*) targeting local and regional development and the social economy. Most notably, the government of Quebec committed CDN \$10 million in the last budget to FIDUCIE, a new \$52.8 million quasi-equity investment fund, the first patient-capital investment instrument for the social economy developed by the *Chantier de l'économie sociale* in partnership with the FTQ's *Fonds de soliarité*, CSN's *Fondaction*, and the federal and provincial governments. The initial capitalization of the FIDUCIE came from the federal government and its commitment to capitalize the social economy across the country. The recognition of the role of labour as a partner in economic development from the early 1980s now applies to the social economy as it is increasingly recognized for its development capacity in Quebec (Lévesque and Mendell 1999; Bourque 2000).

Understanding the larger context within Quebec is central to an analysis having as its objective the lessons and challenges presented by this province's social economy. What researchers in Quebec refer to as the fourth generation of the social economy is associated with the emergence of social movements in the 1960s and the mobilization for a more democratic and participatory democracy (Lévesque 2007). The numerous civil society initiatives — citizens' committees, food banks, community centres, family economy co-operative associations developed in the 1960s — multiplied in the 1970s to include technical resource groups for co-operative housing, women's health centres, community media, family summer camps, workers' co-ops, among others. Community clinics were the model for the *Centres locaux de services communautaires* (Local Community Service Centres), which are government-funded community health care and social service centres established across the province in 1974; community-based legal clinics became the basis for provincial legal aid; not-for-profit childcare was the foundation for universal day care, the *Centres de la petite enfance* (Early Childhood Centres) that now exist across Quebec. Community-led social innovation in all these areas influenced institutional innovation in Quebec.

The developments in Quebec traced above represent four generations of the social economy in this province. The first generation is associated with the creation by workers of mutual societies in the middle of the nineteenth century; the second with the emergence of agricultural co-operatives and the *caisses populaires* movement at the turn of the century. The third generation of the social economy refers to the establishment of co-operatives in many sectors and activities including forestry, housing, education, and consumer co-ops, to name a few, in the wake of the crisis of the 1930s. With the establishment of the *Conseil supérieur de la coopération du*

Québec (Quebec Higher Council of Cooperation) in 1939, the commitment of the Catholic labour movement to consumer and housing co-operatives, and the emergence of associations engaged in popular education, culture, and recreation as well as the establishment of programmes to study co-operatives at Laval University and the HEC (l'École des Hautes Études Commerciales) in Montreal, the co-operative movement shifts markedly from responding to crises to developing a social project, a vision for rebuilding the Quebec economy (Lévesque 2007; Lévesque and Mendell 1999).

The 1980s is a turning point in this history. It marks the transition to the fourth generation and is crucial for an understanding of the contours of the social economy in Quebec today. At the same time as labour, business, and government were negotiating economic strategies for Quebec, community organizations shifted from social to economic intervention and began to play a critical role in economic revitalization strategies in partnership with the labour movement and government. The impact of economic restructuring and the recession on urban communities in Montreal led many community activists to construct strategies to rebuild their local economies. The history of *Programme économique de Pointe St. Charles* (PEP), the first community-based economic initiative implemented in Quebec, and in the southwest of Montreal, has been extensively documented. PEP became the model for the community economic development corporations (CDECs) established by the government of Quebec in the mid-1980s, initially in Montreal and later in other regions of Quebec. The CDECs were pilot experiments in what we may call “a negotiated economy,” as they were demonstrations of the benefit of “multistakeholder collaboration” at the local level. Similar to the impact of community activism on institutional change in the 1970s, CDECs also represent the institu-

tionalization of community-based initiatives. The participation of all three levels of government — provincial, federal, and municipal — demonstrated their recognition of the value of “proximity,” their recognition that appropriate strategies for economic revitalization, poverty reduction, and social cohesion could best be designed by those living and working in the community. The appropriate policies would follow.

This also marks the recognition of the need for new intermediaries — hybrid and multisectoral institutional environments. In today’s terminology, the CDECs are horizontal policy settings that allow for the integration of several policy domains: labour market, enterprise services and business development, social integration through economic initiatives, and local revitalization and development. These CDECs were the *pepinières*, the seeds, for integrated policy design and implementation that acknowledged the limits of homogeneous and undifferentiated programmes designed in ministerial silos and the need for multistakeholder dialogue (see Laville et al. 2006, 26). The CDECs also became important sites for resisting the prevailing commitment by the government of Quebec to reduce the role of the state by arguing for a different relationship between the state and civil society. This is an important lesson, as the strategies to decentralize, so common in many parts of the world, must include a marked shift in the political culture that recognizes the indispensable knowledge that local actors bring to the policy table and the consequent need for flexibility in programme design and delivery. In Quebec, both the pragmatic and innovative capacities of civil society to address difficult issues with concrete strategies and processes of implementation have had a significant impact on the political culture and on institutional innovation. The history of the last forty years tells us that government has come to accept that a dialogue with civil society is essential to address a complex and transforming socio-economic environment.

In Quebec, the history of community activism and collaboration among major socio-economic actors has made the leveraging of collective or social action to political action somewhat easier, though many challenges remain. Despite the challenges that have increased with the current provincial government, civil society is contributing to the embedding of the economy in a “deliberative regulatory culture” that has moved beyond its local and community roots as it participates in the design of more complex collaboration and deliberation strategies with actors and networks across the country and with state institutions. The social economy in Quebec is the result of an active dialogue between actors and government. The links between social actors and local, regional, and national levels of government are not linear; they are better described as a complex road map of political interaction, an ongoing process of institutional reconfiguration that depends on a willingness to negotiate. Social economy actors are the architects of an evolving enabling policy environment that includes new multi-stakeholder institutional settings, enabling legislation, a new vocabulary, and a policy discourse to reflect these realities. The social economy in Quebec is an example of an *empowered participatory initiative* (see Fung and Wright 2003; Mendell 2006). Citizens have been directly involved in shaping its contours, in debating its structure and definitions, in developing socio-economic initiatives, in building a movement.

In revisiting the last four decades, we bear witness to the role that alliances, partnerships, and deliberation have played in the evolution of the social economy in Quebec today. This is a process of *institution building* that resists institutional isomorphism by maintaining wide representation, broad-based governance, and dialogue. That said, the success of the social economy in Quebec over the last decade has been its capacity to speak with one voice,

representing the diversity of actors involved. This was a challenge as the needs of the individual members of this network had to yield to shared objectives to promote collective enterprise, to collectively develop an alternative economic development strategy committed to democracy, equity, sustainable development, and viability, reinterpreted as socio-economic viability. The concept of sustainable development to which the social economy is committed is a broad one that speaks to social, economic, and environmental livelihood.² Indeed, the returns to the individual members representing many sectors, movements, and territorial organizations flow from this common agenda. The strength derived from this collective engagement has increased the capacity for individual members to negotiate on their own behalf with the support of the *Chantier* representing the social economy as a whole.

The participation of the Quebec government in financing certain social economy initiatives, in developing programmes to enable and accommodate the social economy, in supporting the infrastructure that co-ordinates the social economy in Quebec, and in drafting legislation — the much-needed legal framework for the social economy — reflects the recognition of the significant role played by civil society in Quebec and the need to re-examine how the state intervenes in social and economic development. The participants in concertation in Quebec in 1996 included community-based actors for the first time, a clear acknowledgement of the capacity of social movements to implement economic initiatives that meet both social and economic objectives. Today, more than ten years later, the Quebec model of the social economy involves an ongoing conversation between government and social economy actors as they engage in a *policy dialogue*. In Quebec, this is not new; at the federal level, opportunities and spaces for such a dialogue are emerging, and currently the municipal government in

Montreal is writing new policy for the social economy following similar policy dialogue with social economy actors. The *process of policy design* is transforming; neither top down nor bottom up, it is one that calls for horizontal policy within government at all levels as well as the creation of spaces for the participation of noninstitutional actors. The policy architecture that enables and accommodates the social economy in Quebec has required an increasing commitment by government to the *co-construction of public policy* with practitioners — not always easy, but a process that is now embedded in the political culture of Quebec.

The social economy in Quebec today includes more than seven thousand collective enterprises, both co-operatives and not-for-profit organizations and enterprises in many sectors (www.chantier.qc.ca). This distinguishes it from many countries where reference to the social economy and to the solidarity economy separates co-operatives and mutuals from associations.³ Quebec's social economy also includes social movements — the labour movement, the women's movement, and the environmental movement — as well as territorial intermediaries such as the *Centre local de développement* (local development centres) created by the Quebec government in 1997, the network of Community Futures in Quebec, and the Social Economy Initiative introduced in 2004 by the former federal government. In Canada, we also include the voluntary sector in a broad definition of the social economy.⁴ Those faced with the challenge, and it is an important one, of developing data on the social economy — of mapping — have had to work through definitional issues and debates in order to come to an agreement that a broad and inclusive definition is critical to demonstrating the diversity of the social economy and its significant contribution to the Canadian economy and to Canadian society.⁵ Equally important is the need to deconstruct or

break down the data to reveal the level of activity represented by the different components that fall under this large umbrella definition. However, in Quebec, the social economy refers not only to the juridical status of collective enterprise, to co-operatives and non-profits, but to a vision, to an alternative economic development model that challenges the dominant paradigm through practice, through the creation of development tools — finance, training, research, labour market strategies — the building blocks for a citizens' economy. And it is not surprising that the policy environment continues to evolve to accommodate the social economy; its capacity to generate wealth is recognized. The social economy has, over the last decade, inspired policy innovation provincially, federally, and most recently at the municipal level, as Montreal prepares to adopt a social economy agenda.

For the social economy to take root, it has to simultaneously promote collective enterprises and develop new instruments to permit their emergence, consolidation, and growth. There are many significant institutional barriers, such as laws and accounting norms that do not recognize the specificities of collective enterprises; there is also an absence of appropriate evaluation and measurement tools that adequately reflect the values and the value-added of collective enterprise. Challenges include commercialization strategies for the development of markets for goods and services produced in the social economy. The image of the social economy, often associated with activity on the margins of the economy or exclusively with nonmarket social services, is also a challenge, although this is changing with increased visibility, certainly in Quebec. The important work on social accounting and social indicators is responding to the need for evaluation and appropriate accounting measures; procurement policies, integrating the social economy into the movement for socially responsible consumption, labelling, and

fair trade are among the many strategies that have been put in place to create markets for social economy goods and services. Colleges and universities in Quebec are creating certificate and diploma programmes for new occupations and professions emerging in new sectors in the social economy. Institutional innovations such as solidarity co-operatives have expanded the co-operative model to include a broad range of stakeholders. These are only a few illustrations of the innovative capacity of the social economy.

The undercapitalization of social economy enterprises and the need for ongoing finance have been identified (Lévesque, Mendell, and Rouzier 2003). This said, Quebec has been a leader in financial innovation for the social economy. The FIDUCIE, a patient capital or quasi-equity fund, marks a turning point as collective enterprise will now have access to long-term investment capital for the first time. Training and labour market analysis is provided by the *Comité sectoriel de main d'œuvre* (Sectoral Committee on the Social Economy, see <http://www.csmoesac.qc.ca>) to meet the challenge of assuring high quality and sustainable jobs in the social economy, and two CURAs, community-university research alliances, have created innovative research partnerships between practitioners and academic researchers that provide a dynamic research environment for the social economy (L'Alliance de recherche universités-communautés 2007). The numerous case studies published by these CURAs are helping to identify strengths and weaknesses of individual experiences. With the *Chantier* as the nucleus, these tools — finance, labour market analysis and training, research and enterprise services — constitute a coherent and integrated structure for social innovation. This provides an important lesson: while cultural and institutional specificities vary considerably across Canada and in other parts of the world, the Quebec experience has identified the importance of legal, policy, and administrative coherence

in building a social economy infrastructure. The case studies also reveal the importance of mobilization and the creation of a shared identity that underlie the social economy in Quebec. Indeed, as briefly noted above on the distinction between the social economy and the solidarity economy, the co-operative and associational movements remain separate in many cases. In Quebec, where the social economy refers to both, tensions exist. But this is a challenge, not a barrier. The social economy is inherently a “field of tension” that cuts across many boundaries. Co-existence has to be negotiated; institutional innovation within movements and organizations can be a slow process. In Quebec, the labour movement has been a partner in the social economy. On the other hand, the women’s movement strongly opposed the social economy in the early period following the 1996 Economic Summit; currently, it is a member of the *Chantier*. An important lesson to share with other regions is the need to build a network to represent the social economy and for it to act as the interlocutor with government.

The role of alliances, partnerships, and political innovation is foregrounded here because these have been essential to the Quebec experience, to its particular history and its socio-political and cultural environment. The lessons of this experience are important for social economy practice more generally because the process outlined ultimately calls upon government to consider its engagement in the social economy as an investment. This requires a new mindset and ultimately a different calculus. Underlying such a change is the recognition of the positive impact of the social economy on state finances, both in its contribution to economic growth and in the potential reduction in public spending from the social benefits associated with productive engagement in social economy initiatives. More than the simple shift from passive to active government policy and programmes that have not produced the ex-

pected results, the social economy has demonstrated its capacity to create wealth while maintaining its commitment to equity, social justice, and sustainable development. This is why government has begun to understand that it should “invest.”

By focusing on process, I have not elaborated on the strengths and weaknesses of the collective enterprises themselves that make up the social economy; this is, of course, a key concern for those actively engaged in the social economy and for those wishing to document the conditions for success — the impediments or barriers, or both; why some enterprises succeed; why others do not. While numerous case studies exist, the challenge to document this systematically is being met by the current project undertaken by the *Chantier* to design a portal that will provide extensive information and tools for the social economy with the goal of increasing the ability to identify problem areas and provide guidance and support. It will also provide a rich source of data and information that can be shared across social economy enterprises, creating an environment for problem sharing and learning. Regional nodes of the social economy recently created by the *Chantier* throughout Quebec bring information, support, and technical assistance and development tools closer to social economy enterprises in the regions.⁶

Internationally, the *Chantier* collaborates with many NGOs, government representatives, academic institutions, research centres, and social economy actors and associations in the North and in the South. Sharing the Quebec experience is extremely useful as numerous international events, exchanges, and missions have revealed. International co-operation has taken many forms, including participation in large international forums such as the Globalization of Solidarity in Lima, in Quebec City, and most recently

in Dakar, and the World Social Forums. The *Groupe d'économie solidaire du Québec* (Solidarity Economy Group of Quebec), composed of researchers, practitioners, and NGOs, has contributed significantly to international co-operation through its collaboration in organizing the Quebec City and Dakar meetings, through its many publications co-edited with researchers and practitioners in the South, as well as through its active web site. The *Chantier* is actively engaged in international collaboration, contributing to policy discussions on the social economy in several countries in the South, and is a partner in an emergent Quebec/Latin America research network.⁷ As well, Quebec receives individuals and delegations from many countries in the South; the *Chantier*, the co-operative and labour movements, and solidarity finance practitioners are among those who work closely with NGOs in developing training and communications tools and programmes that are often delivered by social economy actors from Quebec. Important fair trade initiatives are emerging between social economy enterprises in Quebec and producers of fair trade goods in the South, and collaboration among researchers in Quebec, Latin America, and Africa provide for a rich exchange of experiences and for the generation of new ideas.

Alliances have been built internationally; several countries in the South have recognized the role of the social and solidarity economy and are designing enabling policies and institutional settings within government to put these in place, particularly in Latin America. In most countries, however, this is not the case. The different political and cultural contexts in which the social economy exists inform collaborative work. And so the ongoing dialogue with NGOs, with the co-operative movement, the labour movement, and the large number of solidarity initiatives now integrated into networks is critical. In Quebec, there is an active commitment

to international co-operation and to the development of the many ways in which this can be realized, from micro hands-on training programmes to shared sectoral experiences such as solidarity finance, for example, or macro policy discussions. International co-operation, whatever form it takes, is contributing to a vision for another globalization grounded in concrete experience. The two-way influence that has characterized this co-operation must be underscored; many social economy initiatives adopted in the North, such as fair trade practices, emerged much earlier in developing countries. The institutionalization of the social economy in Quebec strengthens its capacity to engage more actively and to assume a significant presence in international co-operation.

Endnotes

- 1 Interesting examples across Canada include Vibrant Communities and Action for Neighbourhood Change. Information about these initiatives' efforts to apply a comprehensive strategy to reduce poverty is extensively documented in numerous publications by the Caledon Institute (www.caledoninst.org). The Community Economic Development Corporations in Quebec are examples of comprehensive community initiatives. There is a growing literature on "place-based" initiatives that recognize the need for comprehensive approaches to socio-economic transformation (see Bradford 2005).
- 2 There is a growing literature on "sustainable livelihoods" extending sustainable development to what we may call comprehensive socio-economic development strategies (see Beall and Fox 2006; White and Ellison 2006). The term sustainable livelihood was first used as a development concept in the early 1990s. Chambers and Conway (1991) defined it as follows:

A livelihood comprises people, their capabilities and their means of living, including food, income and assets. Tangible assets are resources and stores, and intangible assets are claims and access. A livelihood is environmentally sustainable when it maintains or enhances the local and global assets in which livelihoods depend, and has net beneficial effects on other livelihoods. A livelihood is socially sustainable which can cope with and recover from stress and shocks, and provide for future generations.

The links between this approach and Amartya Sen's "capabilities"

- and “functionings” is clear. We know that the impact of Sen’s work resulted in the creation of the Human Development Index by the United Nations Development Programme and that these discussions have contributed to the numerous existing alternative social indicators and indicators of well-being under construction (see Sen 2004; Human Development Report, UNDP [hdr.undp.org]).
- 3 The term “solidarity economy” defines predominantly nonmarket activity, including activity often associated with the informal sector. However, it is important to note the diversity of “nomenclature” to name alternative economic organization and alternative economic strategies. We also see reference to the popular economy in developing countries. As well, it should be noted that the distinction between the social economy and the solidarity economy in many parts of the world divides co-operatives (the social economy) from associations and not-for-profit organizations (NPOs). This poses difficulties. In Quebec, we refer to the social and solidarity economy and have worked to create a movement that embraces both co-operatives and NPOs. For further discussion, see Mendell (2002, 333) and Laville et al. (2006, 22–25).
 - 4 See the Policy Research Initiative’s journal *Horizons* (2006). This journal, published by the Government of Canada, is devoted entirely to the social economy and outlines the federal economic engagement in 2004.
 - 5 The Social Economy Initiative was abandoned by the current federal Conservative government. Except for the province of Quebec, the commitments made by the former Liberal government were cancelled. In Quebec, these commitments were honoured as they were already committed to projects that were ready to receive this important support. In the rest of Canada, the projects were evolving when the announcement to abandon the programme was made.
 - 6 As noted above, there are numerous case studies on the social economy. These are available on the CURA web site as well as on the web site of CRISES (*Centre de recherche sur les innovations sociales*; see

www.crisis.uqam.ca). The social economy portal is now available on the *Chantier de l'économie sociale* site and was officially launched in October 2007 at the *Chantier's* General Assembly. The regions are linked through this portal, which provides invaluable and extensive documentation on social economy enterprises across the province. As well, the regional nodes provide services and support to the social economy in their respective regions. The *Chantier* holds its General Assembly in a different region each year, creating occasions for dialogue, information sharing and, most important, for designing future strategies.

- 7 The examples are too numerous to mention all of them, but let us note a few. Delegations from Latin America, Africa, Europe, and most recently Japan, visit the *Chantier* regularly. Likewise, members of the *Chantier* are frequently invited by organizations, networks of actors, universities, and governments to participate in policy discussions and to share the Quebec experience. Two interesting examples are the ongoing relationship with Brazil, which includes the Secretariat for the Social Economy created by President Lula and the large Brazilian federation of the solidarity economy that includes almost fifteen hundred associations and organizations. The *Chantier* is also a member of RECO (Continental Network for the Co-production of Knowledge, Research and Training), a network of researchers, practitioners, and representatives of different levels of government in Argentina, Brazil, Mexico, and Uruguay.

Works Cited

- L'Alliance de recherche universités-communautés (ARUC). 2007. Home page. Available online at <http://www.aruc-es.uqam.ca> (accessed 12 May 2007).
- Beall, J., and S. Fox. 2006. "Urban Poverty and Development in the 21st Century: Towards an Inclusive and Sustainable World." Oxford, UK: Oxfam GB Research Report.
- Bourque, G.I. 2000. "Le modèle québécois de développement industriel : de l'émergence au renouvellement." Saint-Foy: Presses Université du Québec.
- Bradford, Neil. 2005. "Place-based Public Policy: Towards a New Urban and Community Agenda." Ottawa: Canadian Policy Research Network (CPRN).
- Chambers, R., and G.R. Conway. 1991. "Sustainable Rural Livelihoods: Practical Concepts for the 21st Century." IDS Discussion Paper 296.
- Chantier de l'économie sociale. Available online at <<http://www.chantier.qc.ca>>.
- Fung, A., and E.O. Wright. 2003. *Deepening Democracy: Institutional Innovations in Empowered Participatory Governance*. London: Verso.
- Giugni, M.G., D. McAdam, and C. Tilly. 1998. *From Contention to Democracy*. Lanham: Rowman and Littlefield.
- Jackson, A., and S. Schetagne. 2003. "Solidarity Forever? An Analysis of Changes in Union Density." Research Paper 25. Ottawa: Canadian Labour Congress. Available online at: <http://canadian-labour.ca/updir/solforeverEn.pdf> (accessed 12 May 2007).

- Laville, J.-L., B. Lévesque, and M. Mendell. 2006. "The Social Economy: Diverse Approaches and Practices in Europe and Canada." Cahier de l'ARUC-ÉS: Cahier No. C-11-2006. Montreal: Université du Québec à Montréal. Available online at <http://www.politiquestsociales.net/IMG/pdf/C-11-2006.pdf> (accessed 12 May 2007).
- Lévesque, B. 2007. Un siècle et demi d'économie sociale au Québec: plusieurs configurations en présence (1850–2007). CRISES/ENAP/ARUC-ÉS Collection études théoriques, no. ETO703.
- Lévesque, B., and M. Mendell. 1999. "L'économie sociale au Québec: éléments théoriques et empiriques pour le débat et la recherche." *Lien social et politiques* 41: 105–18.
- Lévesque, B., M. Mendell, and R. Rouzier. 2003. "Portrait du capital de développement au Québec: une première esquisse." *Économie et solidarité* 34(1): 37–63.
- Leys, C., and M. Mendell, eds. 1992. *Culture and Social Change: Social Movements in Ontario and Quebec*. Montréal: Black Rose Books.
- Mendell, M. 2002. "The Social Economy in Québec: Discourses and Strategies." In *Critical Political Studies: Debates and Dialogues from the Left*, ed. A.B. Bakan and E. MacDonald. Montreal: McGill-Queen's University Press.
- . 2006. "L'empowerment au Canada et au Québec: enjeux et opportunités." *Économie, géographie et société* 8(1): 63–86.
- Paquet, G. 1999. *Governance Through Social Learning*. Ottawa: University of Ottawa Press.
- Policy Research Initiative, Government of Canada. 2006. "Social Economy." *Horizons* 8(2). Available online at <http://policyresearch.gc.ca> (accessed 12 May 2007).
- Polanyi, K. 1977. *The Livelihood of Man*, ed. H. Pearson. New York: Academic.

• WORKS CITED

Sectoral Committee on the Social Economy (CSMO).
<http://www.csmoesac.qc.ca>

Sen, A. 2004. *Inequality Examined*. Cambridge, Mass.: Harvard University Press.

Sirianni, C., and L. Friedland. 2001. *Civic Innovation in America: Community Empowerment, Public Policy and the Movement for Civic Renewal*. Berkeley: University of California Press.

United Nations Development Programme (UNDP). *Human Development Report 2007/2008*. Available online at <<http://hdr.undp.org>>.

White, S., and M. Ellison. 2006. *Wellbeing, Livelihoods, and Resources in Social Practice*. Bath, UK: University of Bath, WeD Working Paper 23.