

Democracy, Economics and Termites

by Daniel Tygel

We struggle to defend democracy as a core value in the various dimensions of our social life. Sadly, democracy's viability is tenuous in our society, particularly when we talk about economics. Applying democracy to the economy requires us to concentrate our efforts on the heart of our system. It forces us to examine the pillars that sustain our present development model.

This brings several questions to mind: During the recent economic crisis, was there any public debate and democratic input into the decision to use billions of taxpayer dollars to bail out big corporations and banks? Is there any democratic input into the policies of the Federal Reserve, World Bank or the development of our money supply? Can civil society exercise any social control on these institutions?

It is normally said that businesses are the engines of development. But often we don't look at how these institutions function internally. Are they controlled by society? Are they democratic in their production processes? Who owns the power to direct their economic activity? Is there any democratic citizen control over their manipulation of markets?

The Solidarity Economy addresses these issues and builds alternative economic institutions and networks to create a new way of producing and consuming. In Brazil, our movement defines the Solidarity Economy in three ways:

- Economically, it promotes democratic and cooperative mechanisms for manufacturing, providing services and financial transactions, operating retail institutions, and acquiring our daily needs. We call this self management, where there are neither employers nor employees. All members of the enterprise (association, cooperative or group) are at the same time workers and owners and make decisions democratically about economic activity.
- Culturally, it's a way to create and consume (at home, at events or in the workplace) healthy, local products, which do not harm the environment, contain genetically modified organisms, or benefit large corporations. Through this method, which is also symbolic and value centered, we are talking about changing the present paradigm of competition to one of cooperation and free, collective and shared information.
- Politically, it's a social movement, which struggles for social change, by creating an economic



model not based on big corporations run by owners and stockholders. Its struggle is for an alternative form of development centered on people and built by people on the basis of solidarity, democracy, cooperation, environmental preservation and human rights.

The Solidarity Economy expresses itself in real life through collective initiatives of production, finance, commerce and consumption, which we call Solidarity Economy enterprises. Although we are talking about different sorts of enterprises, we are still talking about enterprises. That's why we say that we, as protagonists of Solidarity Economy, have "dirty hands." While we struggle to change the present economic model, we also need to function on a daily basis inside the corporate-capitalist system. So, it is not a perfect and beautiful theoretical concept removed from reality. It is, rather, a lively process, full of contradictions, lessons and transformative power.

One of the strategies for strengthening the Solidarity Economy is to set up networks among Solidarity Economy enterprises and their consumers to broaden supply chains and economic collaboration. As these networks and chains get stronger, we are removing economic resources from the capitalist circuits to a networked system that doesn't concentrate capital nor political and economic power.

We are like termites. As you look at the capitalist house from the outside, it is still intact. But inside its walls, we termites are eating away at its structural underpinnings, so that one day this house will suddenly fall, because we have undermined its pillars.

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