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(Re) Defining Welfare in the Context of the Solidarity Economy

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Abstract

This commentary explores the question of how we do or might define welfare in the context of our world today – a world beset with social, economic, and environmental catastrophe. Therein, I argue that such an endeavor necessitates not only a critical analysis of capitalism, and its related indices (e.g., GDP), but also alternatives thereto. Specifically, the solidarity economy is introduced as a fecund anti- or post-capitalist framework that fosters sustainable human and planetary welfare by centering equity, cooperation, solidarity, democracy, sustainability, and pluralism over power and profit maximization. I conclude by suggesting that reorienting our conceptualization and seeking innovative means to measure and assess human and planetary welfare in the context of the solidarity economy seems an urgent need – and paradigmatic shift – if we are to (re)build a more just and sustainable world.

Keywords: Capitalism; Solidarity Economy; Welfare; Justice; Gross Domestic Product

Introduction

Given our world today, beset with interrelated economic, social, and environmental crises, what are the conditions that give rise to (or foreclose) the welfare of people *and* planet alike? *And*, how might they be measured as a means to inform local-to-national goals, practice, and policy? Gross Domestic Product (GDP), one such measure, was originally proposed by Simon Kuznets in the late 1930s and later adopted in 1944 (following the Bretton Woods Conference) as a standardized tool to assess a country's economic wellbeing [1]. GDP is defined as "the measure of the total value of goods and services produced within a country" [2]. Goods and services that are, moreover, "traded for *money* within a given period of time" [3]. From its inception, it has been noted as a limited metric, with Kuznets himself cautioning against the conflation of economic activity and welfare [3].

Such concerns have been echoed by many since, including Noble-Prize winning economists, Joseph Stiglitz and Amartya Sen (e.g., [2, 4, 5]. For example, many critique the ways GDP fails to account for economic inequality, the costs of natural resource extraction/depletion and industrial pollutants, the value of non-marketized labor in homes and communities, as well as its sheer dependence on economic growth [2-6]. Such "accounting" leads to development of (and on-going support for) local-to-global policy and law that threaten—increasingly so—all life on this planet. As suggested by Costanza and colleagues [3], "we are now living in a world overflowing with people and manmade capital, where the emphasis on growing GDP and economic activity is leading the world back toward the brink of collapse" (p. 31).

(Re)Defining Welfare

For decades, particularly those following the global financial crisis of 2007 – 2009, various scholars, organizations, and governments have thus moved beyond a critique of GDP alone and engaged in the theory, development, and testing of alterative indices to include the Human Development Index (https://hdr.undp.org/data-center/human-development-index#/indicies/HDI), Better Life Index (https://www.oecdbetterlifeindex.org/#/11111111111), and the Genuine Progress Indicator (https://gnhusa.org/genuine-progress-indicator/), as well as Canada's Index of Wellbeing (https://uwaterloo.ca/canadian-index-wellbeing/) and Bhutan's Gross National Happiness Index (https://ophi.org.uk/policy/bhutan-gnh-index/) to name but a few.

Within, across, and beyond such indices there is a fundamental question of value, *beyond* capital accumulation. That is, we see attempts to define and accurately account for the (individual and collective) value gained – or lost – of various domains related to health, wellbeing, happiness, and sustainability, to include: parenting, household labor, and community volunteering; civic and political engagement and decision-making; quality (not just quantity) of jobs; air and water pollution, soil erosion, ecosystem and biodiversity loss; income inequality; cultural heritage preservation; leisure time, social connection, and community cohesion. Such work evidences a paradigm shift, a movement away from research and policy foci that rationalize and encourage growth at all costs towards those exploring well-being and prosperity—for people and planet.

(Re)Defining Welfare in the Context of the Solidarity Economy

Central to (re)defining, measuring, and – ideally – fostering greater

human and planetary welfare is a critical analysis of capitalism and the enabling rhetoric of "*there is no alternative.*" Infamously popularized and politicized in the late 1980s by Maragaret Thatcher, among other global leaders (e.g., Ronald Reagan), "TINA" became the rallying cry that hastened the global ascendancy of neoliberalism and concomitant pro-market policies, to include dismantling the welfare state. The resulting (and intensifying) proliferation of economic precarity, social unrest, and environmental catastrophe are no mere coincidence. These outcomes are understood to be the logical consequence of an economic system premised on the consolidation of profit and power; for, anything less would lead to its demise [7-11]. Thus, if we are to arrest the inter-related economic, social, and environmental devastation that have come to define our world today, we must center an analysis not only of the conditions (and related metrics) that give rise to and perpetuate capitalism but also alternatives thereto.

Thankfully, we need not look very far to find a plethora of time-tested and innovative ideas, models, practices, and polices that center the welfare of people and planet, ranging from worker owned enterprise to rotating savings clubs to sustainable agricultural practices [10-15]. In each, we see value – theoretically and structurally – placed on solidarity and sustainability, rather than profit maximation. Fundamental to each, is the (re)development of non-extractive and sustainable means by which to produce, exchange, consume, and allocate surplus [9, 11].

Although referred to by various names (e.g., "plentitude economies," [16]"community economies," [8, 9]), many of these practices fall within the framework of the "solidarity economy," informed by the indigenous worldview and philosophy of "*sumac kawsay*" – ways of living in accord with people and planet [11, 17]. Economists Emily Kawano and Julie Matthaei [14] define the solidarity economy as a "… framework for system change focused on the process of building economic practices and institutions based on the values of equity in all dimensions (race, class, gender, sexuality, and so on), cooperation and solidarity, economic and political democracy, sustainability, and pluralism."

Emerging in Latin America [18] and Europe [19] in the late 1980s/early 1990s, the solidary economy encourages relational (vs. transactional) means of production, exchange, and consumption – an economy built upon "…solidarity, cooperation, mutualism, altruism, generosity, and love" [11]. Therein, we see the (re) emergence of models, structures, and policies – attune to culture, history and context – that support human *and* planetary welfare via, for example, workplace democracy (e.g., equitable pay and decision making), environmental sustainability (e.g., regenerative agriculture, local food hubs), non-marketized/commodified exchanges (e.g., bartering, sharing, and gifting), and community decision-making and participatory/protagonist democracy (e.g., public assemblies, participatory budgeting) [20-27].

For those scholars and practitioners who endeavor to reimagine, define, and assess welfare in terms of people and planet, the solidarity economy – theoretically, rhetorically, and in practice – provides a roadmap beyond capitalism and its legacy of unfettered extraction and exploitation. Therein we are afforded a new economic lexicon, one built upon the language, values, and practice of equity, solidarity, cooperation, and sustainability. The power of which fosters a capitalist "de-subjectification" [8] and, thereafter, our individual and collective ability to reimagine other possible worlds. Reorienting our conceptualization and seeking innovative means to measure and assess – across time and space – human and planetary welfare in the context of the solidarity economy seems an urgent need if we seek to protect and foster that which makes life worth living *and* possible – now and for future generations.

Conflict of Interests: The author declares that there are no conflicts of interest.

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