

FACETS OF SOLIDARITY ECONOMY

by Benjamin R. Quiñones, Jr.

**Presented at the
Tokyo Seminar on Human Responsibility and Solidarity Economy
September 28, 2008
Waseda University, Tokyo**

Table of Contents

Introduction	2
What is Solidarity Economy? Goals and Values	2
SE Facet 1: Responsibility	3
SE Facet 2: Plurality	4
SE Facet 3: Solidarity	5
SE Facet 4: Property Ownership	5
SE Facet 5: Price Formation	6
SE Facet 6: Modes of Exchange	6
SE Facet 7: Consumption and Saving Habit	7
SE Facet 8: Education supported by Solidarity & Cooperation	7
SE Facet 9: Ecological Conservation and Innovation	8
SE Facet 10: Relationship as Wealth (Social Capital)	8
SE Facet 11: Health as Wealth	9
SE Facet 12: Governance	9
Charter of Human Responsibilities	10

FACETS OF SOLIDARITY ECONOMY

Benjamin Quiñones, Jr.¹

INTRODUCTION

Inherent in the market economy are diametrically opposed vested interests of economic actors or stakeholders that inevitably cause tensions and conflicts. Consumers want to pay as low a price as possible for the goods and services they buy, but producers and sellers want to charge as high a price as possible for the same goods and services.

Workers, who also constitute the vast majority of consumers, want to receive as high a wage as possible from employers in order to live above poverty and beyond subsistence. On the other hand, employers are out to pay as low wages as possible to the workers they hire so as to keep the patronage of consumers who want to buy at low prices. Borrowers want to pay as low interest as possible on the loans they obtain from their creditors, but the latter want to charge as high interest as possible.

This basic conflict of motives is seen many times over among the players in the various kinds of transactions made in any market economy day after day². The modern (market-oriented) economy, it seems, is built on such conflicting motives among its various players. It is an economic model that follows the principles of the zero-sum game theory which states that in any game there are losers and winners, and the winner takes it all.

The contemporary economy's solution to the economic chaos and disequilibrium is monopolistic control of political and economic resources. Two models of economic monopoly have survived to this day – state monopoly and private capital monopoly. Societies throughout the world can be classified between these two models, albeit in various shades and stages of development. Globalization simply hastens the process of monopolization, propelled either by the state or by private capital, or a collaboration of both.

This paper presents the case of an alternative economic order, one that is based on solidarity among stakeholders. This economic order is called 'Solidarity Economy'.

What is Solidarity Economy (SE)? What features differentiate it from the mainstream, neo-liberal capitalist economy? These and other relevant issues are addressed in this paper with references to case studies in Malaysia, Philippines, and Sri Lanka.

WHAT IS SOLIDARITY ECONOMY?

Goal and Values

Solidarity Economy is a socio-economic order and new way of life that deliberately chooses serving the needs of people and ecological sustainability as the goal of economic activity rather than maximization of profits under the unfettered rule of the market. It places economic and technological development at the service of social and human development rather than the pursuit of narrow, individual self-interest.

Solidarity Economy is an alternative economic model to neo-liberal capitalism, This alternative socio-economic order and new way of life inspires attitudes and behaviors with values such as sharing, co-

¹ *The author is the Chairman of the Coalition of Socially Responsible SMEs in Asia. He is a graduate of the University of the Philippines School of Economics, holds a Masters Degree in Agricultural Economics, University of the Philippines at Los Baños and recipient of the UPLB Distinguished Alumnus Award. He is currently pursuing PhD studies at the Southeast Asia Interdisciplinary Development Institute (SAIDI).*

² *Cielito Habite, 2007. "Sowing the Seeds of Solidarity Economy in the Philippines" in The Asian Forum 2007 Report, p.111*

responsibility, reciprocity, plurality, respect for diversity, freedom, equality, ethics, brotherhood, and sisterhood³.

The Chantier Economie Sociale of Quebec cites five key principles to distinguish solidarity economy initiatives. These are:

- (1) the objective is to serve its members or the community, instead of simply striving for financial profit;
- (2) the economic enterprise is autonomous of the State;
- (3) in its statute and code of conduct, a democratic decision-making process is established that implies the necessary participation of users and workers;
- (4) it gives priority to people and work over capital in the distribution of revenue and surplus; and
- (5) its activities are based on principles of participation, empowerment, and individual and collective responsibility.

Solidarity Economy adopts conscious altruism and solidarity, not extreme individualism, as the core of the new socioeconomic culture. It tends to favor cooperation, not competition, as the main form of relationship among humans and between them and Nature⁴:

Solidarity Economy does not constitute a SECTOR of the mainstream economy. It is rather a global APPROACH encompassing initiatives in most sectors of the economy. This alternative approach to socio-economic development operates side by side with the market economy and is capable of sustaining its initiatives and competing in the market logic of traditional markets for as long as its approaches continue to be innovative⁵.

SE FACET 1: RESPONSIBILITY

Solidarity economy can only be established and sustained when its stakeholders adhere to their social responsibilities.

ALOE (Alliance for Responsible, Plural and Solidarity Economy) advances that Solidarity Economy (SE) is RESPONSIBLE because it anticipates the long-term social and environmental consequences of different forms of economic behaviour and pro-actively engages the stakeholders to accept the consequences of their actions on the basis of the principle that those who have greater resources at their disposal, have greater responsibility towards society and the environment⁶. "The one who pollutes, pays". SE upholds the value of collectiveness and the sense of co-responsibility of stakeholders for each other, and the necessity of conserving the planet for future generation.

Most people do not feel responsible for the social and environmental consequences of their economic behaviour. This socially responsible behaviour must be inculcated among the local people. In Malaysia, the Yayasan Kajian dan Pembangunan Masyarakat or YKPM (Foundation For Community Studies and Development) devotes its efforts to empowering the Orang Asli (indigenous people) to conserve and

3 Marcos Arruda, 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Philippines, Oct 2007. Arruda is founder and Director of IPEDES (Institute of Alternative Policies for Southern Cone of Latin America), Brazil and Member of the Global Coordinating Team of the Alliance for a Responsible, Plural and Solidarity-based Economy (ALOE, France).

4 Mylen Peirer, 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Philippines, Oct 2007. Peirer is a Member of the Coordination Committee of the North American Network for Solidarity Economy (NANSE), and Board Member of RJPEDS (Intercontinental Network for the Promotion of the Solidarity Economy).

5 Kyoeko Sakuma, 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Philippines, Oct 2007. Sakuma is the Founder and Executive Director of Sustainability Analysis and Consulting (Belgium).

6 Alliance for Responsible, Plural & Solidarity Economy (ALOE), 2008. "ALOE Vision, Mission, Strategy & Action". Unpublished manuscript, Paris: June 2008

add value to the management of natural and to develop alternative local economic activity⁷. YKPM adopts 4 Strategies to promote the concept of responsibility among the Orang Asli. These are: (1) Increase the awareness of the destruction of Malaysian biodiversity and engender capacity building through human resource training and incorporate natural resource conservation projects; (2) Develop integrated natural resources management strategies and local economic activity to link to markets which guarantee fair prices that can sustain the economic activities such as herbal plants, bamboo, fruit trees and valuable tree planting and conservation or regeneration of forest produce; (3) Set up a Fair Trade market for these natural resources produced by the Orang Asli's; and (4) Expand local economic activities to improve education, work skills, housing and environmental preservation of the Orang Asli community.

SE FACET 2: PLURALITY

An economy, be it market-oriented or solidarity-based, requires a high degree of specialization (denoting differentiation or diversity) in order to be efficient. In the market economies of developing countries, there is a great tendency for people to produce the same things owing to capital limitations, low skills and low level of knowledge. As an alternative economy, solidarity economy needs to foster greater plurality among the stakeholders in terms of skills, knowledge, and application of capital.

ALOE (2008) maintains that SE is PLURAL in the sense that it recognises the diversity of socio-economic stakeholders who participate in different initiatives. It also denotes the plurality of forms of capital resources and the means to produce goods and services to meet people's needs. There is an interplay of three forms of capital that sustain SE: *economic capital*, which engages in the production, financing, exchange, and consumption of goods and services; *social capital*, which includes the values, culture, social relations, networks, institutional arrangements and governance of institutions involved in the development of SE; and *ecological capital* comprising the biodiversity of resources (land, oceans, rivers, metals, energy sources, air, etc). The conservation of ecological capital's productivity serves as the ultimate constraint to the application of both economic and social capital.

Plurality or diversity is not widely practiced among the local people. Take the case, for example of the Parakum Farmers Association (PFA) in Sri Lanka. The PFA members were in their own *comfort zone*, not thinking beyond their traditional technology⁸. With the intervention of the Peoples' Organisation for Development of Imports and Exports (PODIE), PFA developed innovative techniques and skills in organic farming. These innovative abilities enabled PFA to continuously supply the markets with organic produce and demand a higher price for their produce. PFA has been *branded* as a leader in biodiversity amongst the micro farming communities in Sri Lanka. This flagship status is the recognition of their commitment to innovative strategies in farming. PFA has also been awarded the following certifications: Organic Food Producer (SKAL), Good Manufacturing Practices (GMP), Sanitary Operational Procedure (SOP), Standard of Sanitary Operational Procedure (SSOP), and Hazard Analytical Critical Control Point (HACCP). PFA is subject to constant audit by these independent certifying organizations. PFA members are now aware that diversity is a means for meeting people's needs and also ensuring sustainability of their markets.

⁷ Christopher Shun, 2008. "Facets of Solidarity Economy: The Malaysian Orang Asli Case Study", Unpublished document, Kuala Lumpur: April 2008.

⁸ Modestus Karunaratne, 2008. "Facets of Solidarity Economy: The Case of Parakum Farmers Association". Unpublished document. Colombo: May 2008.

SE FACET 3: SOLIDARITY

Solidarity naturally arises among people who have the capacity and willingness to cooperate with one another. Members of the group have to rise above their self-centered ends and see the bigger picture in order to get motivated to act in solidarity with the others.

SE is said to be SOLIDARITY-based in as much as it embraces the principles of mutual help, reciprocity and cooperation among stakeholders in undertaking collective actions but differentiated responsibilities in sustaining the process of organising SE activity.

The word “solidarity” has an equivalent term in national languages – “Bayanihan” in the Philippines, “Gotong-Royong” in Indonesia and in Malaysia, and “Anyonya Sahayogaya” in Sinhala, the national language of Sri Lanka. Karunaratne (2008) reports that at Parakum Farmers Association (PFA) in the village of Wanniamunukula, the member farmers act in solidarity in many activities. Land preparation, Natural Soil Sterilization prior to seed planting requires a collective effort of the community. When harvesting, farmers from the neighboring farm lands extend their labour on a reciprocal basis. Therefore every farmer has his moral obligation to reciprocate and extend his services when the other neighboring farmer is in need of extra labour during harvest. Solidarity amongst the farmers is also displayed when they have to face social obligations: funerals, weddings and disasters. During contingencies in the community private disputes / differences are set aside and the farming community act in solidarity with the others.

There are cases, however, when the solidarity economy initiatives of collective organisms such as community organizations, people’s organizations, NGOs, cooperatives, workers unions, and the like become conformed to the profit-maximizing focus on financial gains of traditional markets. The question is whether the economic undertakings of such collective organisms can be regarded as solidarity economy initiatives.

It must be noted with caution that the collective form of organization is often equated to Solidarity Economy. But organizational form is not sufficient a condition for the culture of Solidarity Economy to obtain. It is also important that the collective organism becomes a means for serving the needs of the greater community and for enhancing ecological sustainability.

It is, therefore, relevant to determine the strategic direction or goal of the organization’s economic initiative. If its approach maximizes welfare of the community at large and enhances ecological sustainability, it can be said to be a solidarity economy initiative. However, if the organization strives mainly for financial profit, and the benefits of its initiative are captured by a few individuals and do not flow to the larger community of people, it cannot be called a solidarity economy initiative.

SE FACET 4: PROPERTY OWNERSHIP

Every community of people has a notion of property or possession. Indigenous people, for example, may not truly understand how natural resources could become the private property of private individuals. They could only regard what they have produced as their own possession or property. They may have difficulty understanding how resources of nature which are not made by their own hands could become their own possession.

Ruben Martinez (2008) explains that the indigenous concept of property ownership among the Mangyan in Mindoro, Philippines is guided by their customary laws ⁹. It is often described as communal and the use of the communal resources such as land is based on usufruct or use rights. The pioneer migrant

⁹ Ruben Martinez, 2008. “Sandugo: Incipient Solidarity Economy in Mindoro”. Unpublished document. Manila: May 2008

communities believed that the lands are not owned and as public domain, they can apply for homestead or register the land in their name. Thus, the earlier migrants settled in the coastal areas of Mindoro, mostly along river banks, where they developed the lands into rich agricultural production areas.

Martinez further notes that Mangyan and Traditional peasant communities identify '*mehura*' as their proof of ownership. '*Mehura*', a Spanish term for land improvement, is also found in other peasant communities in Mindoro, Zambales and even in Tablas and Panay. Mangyan nevertheless incorporated *mehura* as part of their customary laws. For them, *Mehura* is important in preserving their heritage. In the past, Mangyan are predominantly hunters and gatherers. They did not plant permanent crops. It was only in the recent years that Mangyan begun cultivating their lands and planting perennial crops such as fruit trees. '**Papeles**' are documents that certify ownership of land.

The integration and assimilation of the Mangyan to the mainstream economy modified their property ownership. While preserving their own indigenous concept of communal ownership and usufruct rights within their own ancestral domain, they have to also take cognizance of the instruments of ownership issued by the state such as the certificate of land title, stewardship agreement and other instruments that have been used to deprive them of their land. Mangyan have learned that land can be bought or sold through deed of sale or assignment, it can be mortgaged and "papeles" (documents) are proof of such transactions.

FACET 5: PRICE FORMATION

In any economic system, there are stakeholders in both local and global economy powerful enough to determine the price of products and services. In countries where consumer groups are weak and not well organized, and the government does not have effective consumer protection policies, those who control trade and distribution locally and globally have greater means to determine the allocation of resources and therefore greater influence on price levels. On the other hand, in countries where consumer protection policies are effectively enforced and consumer groups are well organized and have powerful lobbies, consumers or end-users have considerable influence on the kind and price of products that can enter the market.

The case of FPA in Sri Lanka demonstrates how solidarity among producers contributes significantly to their ability to set the price for their products. It must be mentioned, though, that this capacity has to be built into the farmers group. This is where PODIE as a Fair Trade organization has played a pivotal role.. PODIE has educated the FPA in setting their minimum *farm gate* prices, ensuring favorable returns to its members.

The general pricing policy of FPA (agreed upon collectively with the participation of its members) is to market its produce 25% to 40% more than the prevailing market prices. The economic partnership with PODIE has helped FPA maintain these premium price levels, as PODIE is exclusively markets to export destinations. Example: The approximate cost of production of organic chilies is USD 2.00 /kg. However, PODIE pays FPA USD 4.25 / kg of organic chilies.

When market prices fall below cost, FPA is assured of a Fair Trade Assurance price by PODIE. Example: In the recent past due to excess production, the market price of cloves declined to USD 0.40 / kg. However, PODIE's purchase price of organic cloves from FPA was USD 1.40 /kg. FPA received 5% more than the farm gate price.

FACET 6: MODES OF EXCHANGE

Modes of exchange facilitate the distribution of goods from producers to end-users/ consumers. The more efficient and effective the modes of exchange are, the quality of products that reach the customer is much better and prices

tend to be lower. Modes of exchange may include open public market, supermarket, restricted exchanges among cooperative members, private exchanges among members, etc.

Martinez (2008) notes that the modes of exchange among the participants of Sandugo covers three types of reciprocal relations, the generalized reciprocity normally associated with kinship and ritual relationship. This is in the same category of the generalized reciprocity between a parent and a child, where the child is expected to pay back the favors and benefits given to them as a child. Contractual reciprocity on the other hand is the specific exchange transaction similar to barter or sale, where participants are paid in kinds or in monetary terms the products or services given to the other party. Negative reciprocity is not considered as part of any Sandugo relationship. Negative reciprocity involves taken advantage or short changing the other participants in the exchange process. Sandugo participants have the advantage of being a preferred trading partner of the Mangyan over the other partners. Sandugo as a network for exchange can be an alternative to the free market exchange.

In the municipality of San Teodoro, where Sandugo has ceased to exist, negative reciprocity exists between the Mangyan and non-mangyan communities. It is not uncommon for public vendor and store owner to say that in the past it is the Tagalog or non-mangyan who victimized the Mangyan (“minamangyan ang mangyan”), now it is the Mangyan who dupes the non-mangyan (“Minamangyan ng Mangyan ang Tagalog”). This illustrates that in areas where Sandugo has cease to exist, Mangyan also find ways to get back to people whom they perceived as exploitative, have taken advantage of their generosity or ignorance, or short-changed them.

FACET 7’’: CONSUMPTION AND SAVING HABITS

Every society tries to save something from present resources in order to invest for the future. This requires people to consciously temper consumption so that they could allocate a little bit more for the future.

The Orang Asli (OA) **do not** have a savings culture, says Christopher Shun (2008). As such the more money they earn from their products, the more money they are likely to spend on themselves. Often extra household income is spent frivolously on alcoholic consumption and non useful consumption goods. YKPM has to **intervene** by teaching/ guiding the OA concerning savings and investments. Attempts to temper their consumption propensities are difficult given their lack of fiscal discipline and also the temptations propagated by a consumerist society. YKPM initiates a micro-savings scheme wherein agricultural implements, seed stocks and livestock are bought in volume to secure highest discounts and distributed to each family in proportion to their savings. In short, their savings are invested in future productive income producing projects. Also, YKPM helps channel the OA’s surplus profits into the purchase of agricultural machinery which is purchased on hire purchase terms and the installment payments are met by future cash surplus from sales of cash crops grown by the OA’s.

FACET 8: EDUCATION SUPPORTED BY SOLIDARITY & COOPERATION

It is important for a group of people to impart their belief system, acquired skills and knowledge to the next generation to preserve and advance their culture. A highly cohesive community or society is likely to take initiative of creating ways and means of imparting their way of life to their own people, as well as to communicate their culture to the rest of the world.

Martinez (2008) observes that the Mangyan communities and Traditional peasant communities have their own indigenous learning system which enables them to learn about their culture and tradition. Through this indigenous learning system, Mangyan also learns about Sandugo, their customary laws, traditional status and roles. They also acquire skills that enable them to perform essential task, rituals and other aspect of culture needed for their day to day maintenance.

In the Sri Lanka, there has been a traditional linkage between the farmer, temple and the school rural farming communities, writes Karunaratne (2008). The temple is not limited to a source of spiritual bond, but also serves as a centre for education. Children from small ages gather in the village temple for their religious education and secular education.

Sadly this practice is not visible at Wanniamunukula. One main reason being the farming families being away working in the farmlands and the children join their parents in farming after schooling. One farmer commented that they invest greater effort in using organic methods of farming; therefore they need to spend more time in their farm lands.

PODIE has initiated many programmes to educate the community in family health, sanitation and other important factors. These programmes have improved the overall health standards in the community.

The primary school is of only monumental value as it does not provide any value to the children. PODIE has been negotiating with the provincial government for many years to establish a school in this village, without tangible results to date.

SE FACET 9. ECOLOGICAL CONSERVATION & INNOVATION

People who depend a lot on their environment for sustenance will naturally protect it. They will also introduce innovations to avert stagnation of, and enhance, environmental productivity. But people who are far removed from the production of products they consume are often ignorant of the impact of their untoward actions on the environment.

Martinez (2008) observes that Sandugo in itself does not directly influence ecological conservation and innovation. However, Sandugo in a way reinforces cultural self esteem which in turn reinforces the cultural identity of the Mangyan. As a result, sociocultural values are preserved such as the influence of the customary laws, the traditional leadership pattern. The customary laws provide innovative measures that can improve the fertility of the soil through the prescribed fallow period or use of sea shells (alkaline source) to improve mineral contents of the soil.

The different Christian denominations have introduced changes in the Mangyan belief system which undermined the application of their customary laws. This in turn affected their agricultural practices, such as disregarding the traditional taboo of kaingin system (slash-and-burn agriculture) in areas that have huge rocks or presence of certain species of plants (among conservationist, these are often considered as endangered species).

SE FACET 10. RELATIONSHIP AS WEALTH (SOCIAL CAPITAL)

A community or society that thrives on mutual inter-dependence would tend to highly value social relationships/ social interaction / social capital. The overseas Chinese community, for instance, excel in business wherever they go because they value relationships greatly. To them, a good relationship - especially with people who command resources - is wealth.

At Wanniamunukula, there is no convergence of social relations overpowering the materialistic mind. Every farmer is focused in creating and maximizing wealth within his family. Karunaratne (2008) argues, however, that this should not be viewed as an inward focused or a self-centered community. There are many times that such self centered values are over-ridden by social obligations and values, or many regular activities that promote social relations and bring the community together. The annual harvest

festival, New Year celebrations, religious festivals are such activities. The community set aside their differences and actively participates in these events.

Though there is no strong bond between the community and the temple, religious values are respected and upheld by the community. Generally this community has lived in harmony and no major incidence of crime and unrest has been reported in the recent past.

Among the OA community in Malaysia, Shun (2008) sadly notes that relationships are not valued as Wealth or Social Capital. OA people have been very inward looking, self centered and often selfish in sharing their modest possession with their fellow community workers. YPKM finds that amongst the over 200 separate OA tribes in Malaysia, there is no communal spirit that propels them forward as a minority group. The Government of Malaysia has set up a Department of Aboriginal (Orang Asli) Affairs to promote unity among the OA tribes. Unfortunately, the officers are not even indigenous Orang Asli's; thus, the efficiency and purpose of the Department is limited. NGOs like YKPM, Malaysian CARE, Yayasan Strategik Sosial (YSS), and others have to step in to meet the urgent needs.

SE FACET 11: HEALTH AS WEALTH

A community or society that promotes the health of its people contributes positively to the productivity and well-being of its human resources. The health values held by the community or society also influence the kind of products and services it produces and consumes.

The OA community, Shun observes, does not actively promote the health of their community. Rather each family is left to fend for themselves in seeking medical assistance especially the Modern – Western Medicines. Occasionally Herbal traditional remedies can be sought from the Village witch-doctor (shaman) who includes some animist ceremony and some form of “payment” in the form of chickens and small livestock.

It is through the intervention of YKPM that proper water and sanitation is provided by the Malaysian Government to each village and to ensure that in the event of any major sickness or disease, the District Medical Centre is alerted and proper Doctors and Nurses are sent to administer proper medication. Without direct external intervention, an entire village can be wiped out by an epidemic!

In contrast, Martinez (2008) finds that among the Mangyan and traditional peasants communities, traditional medicine is a shared practice. This includes the use of herbal medicine, prayer and ritual, massage, bentosa and animal sacrifice or offering. Among the Mangyan, indigenous healers known as *Marayaw* perform various healing methods. Non-mangyan medicine man or *albularyo* (literally means ‘herbalist’) also performs similar methods. In some areas, Mangyan learn from *Albularyo* and become *albularyo* themselves. In some areas, Mangyan consult non-mangyan *albularyo* and in some instances Tagalog peasants consult Mangyan *albularyo*, especially if there are no Tagalog *albularyo*.

SE FACET 12. GOVERNANCE

The power structure of a community or society shows the extent to which political power is shared its members. An autocratic political system cedes unlimited power to the ruler who is answerable to no other person. On the other hand, a democratic political system is characterized by free and equal participation in government or in the decisionmaking processes of an organization or group. In some instances, however, democratically elected leaders rule like autocrats. Checks and balances are, therefore, instituted by the community/ society to prevent autocratic tendencies from getting out of hand.

The case studies in Malaysia, Philippines and Sri Lanka provide a glimpse of governance of solidarity economy initiatives in various stages of development. Among OA community in Malaysia, the

dominant governance system is democratic with the recognition of a Village Leader (Adun) who is appointed respectfully due to his seniority, general goodwill and sincere interest for the well being of the village community. He is chosen for his knowledge, participative and fair mindedness to each family and as a result a more consensus and paternalistic leader emerges. Autocratic forms of leadership are despised and overtly rejected leading to societal ostracism.

In the case of the Mangyan in the Philippines, Sandugo provides the Mangyan with their own autonomous system of indigenous governance. The governance experience of Mangyan and peasant communities are generally egalitarian. The power structure of these communities is shared by all its members and decision making process and leadership is generally consensual. In case of conflict, resolution is through mediation by the elders. Among the Mangyan, an informal/ad hoc conflict resolution mechanism is used to resolve conflict. Mangyan refer to their customary laws or *batas mangyan* to resolve issues. Under these customary laws, cases of robbery, boundary disputes, injuries and other crimes are resolved and the offender punished.

Parallel with this indigenous governance system is a governance structure patterned after the American political structure. The Mangyan Governor and Mayor are now elected under this system. This modern form of governance has been assimilated into the traditional system, replacing the function of traditional leadership.

In the case of FPA in Sri Lanka, their modern governance system was introduced by PODIE in 1990. This initiative was preceded by much effort in educating the community on the benefits and responsibilities of a membership-based organization and how it could facilitate day-to-day activities within their community. PODIE involved the farming community in drafting the constitution of PFA and facilitated in consolidating its management.

Even to this day, the Annual General Business Meeting of PFA is held under the patronage of PODIE. PODIE facilitates the FPA meetings and assists the members in evaluating their own constitution and revising the same. PODIE also functions as the main linkage between the PFA and the state administration in the area.

CHARTER OF HUMAN RESPONSIBILITIES (CHR)

Based on the anecdotal evidence of three cases from Malaysia, the Philippines, and Sri Lanka, Solidarity Economy (SE) emerges out of informed actions of people. SE does not appear in the economic landscape spontaneously. Rather, it sprouts from the struggles of people for a better life in the midst of harsh realities, struggles that are deliberately informed by socially responsible organizations which aspire for a more responsible, more diverse, and solidarity-based economy.

As such, SE needs a governance system that enlightens the citizens on their social responsibility and makes them accountable for it. The Universal Declaration of Human Rights and United Nations Charter, twin pillars of international conventions, have greatly contributed to social development, but they have not sufficiently addressed the widening economic gaps within and between nations, the concentration of economic and political power in ever-fewer hands, threats to cultural diversity, or the over-exploitation of natural resources. Failure is evident as unrest and conflicts world-wide continue, which give rise to even deeper concerns on the future of our planet.

Against this backdrop, the CHR (Charter of Human Responsibilities) Workgroup of the Alliance for a Plural, Responsible, and United World proposes the CHR as the basis of a new social contract which will lead to the creation of new rules for every social and professional group in its relationship with society.

The CHR preamble states that all people have an equal entitlement to human rights, but their responsibilities are *proportionate* to the possibilities open to them. The more freedom, access to information, knowledge, wealth and power someone has, the more capacity that person has for exercising responsibilities, and the greater that person's duty to account for his or her actions. The CHR aims to provide a new framework, not only for personal conduct, but for the political, institutional and legal domains as well.

The CHR maps out responsibilities and how responsibilities, at the individual and the collective levels, can be exercised. It is a step towards developing a democratic global governance based on broad acceptance of human responsibilities. The CHR workgroup seeks to contribute towards developing a supportive social, cultural, economic and political framework within which these responsibilities may be exercised.

The CHR provides a revolutionary framework for a new social contract. But it is not sufficient to transform individuals from being self-centered operators of the old, exploitative social order into socially responsible citizens who purposely create wealth so as to enhance the well-being of all mankind and conserve the environment for future generations.

It is equally important that people who govern under the new social contract undergo a personal transformation that leads them to possess the attributes of a servant leader.

REFERENCES

- Alliance for Responsible, Plural & Solidarity Economy (ALOE), 2008. "ALOE Vision, Mission, Strategy & Action", Unpublished manuscript, Paris: June 2008
- Arruda, Marcos. 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Phiippines, Oct 2007.
- Habito, Cielito. 2007. "Sowing the Seeds of Solidarity Economy in the Philippines" in Benjamin Quinones, Jr. (ed.) "The Asian Forum 2007 Report", p.111
- Karunaratne, Modestus. 2008. "Facets of Solidarity Economy: The Case of Parakum Farmers Association". Unpublished document. Colombo: May 2008.
- Martinez, Ruben. 2008. "Sandugo: Incipient Solidarity Economy in Mindoro". Unpublished document. Manila: May 2008
- Poirer, Yvon Poirer. 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Phiippines, Oct 2007.
- Sakuma, Kyoko. 2007. "Views on Solidarity Economy". Interview conducted in conjunction with the Asian Forum for Solidarity Economy, Phiippines, Oct 2007
- Shun, Christopher. 2008. " Facets of Solidarity Economy: The Malaysian Orang Asli Case Study", Unpublished document, Kuala Lumpur: April 2008.