

# RESOURCING THE SOLIDARITY ECONOMY

insights on building community  
power through reorganising  
wealth



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# BACKGROUND AND CONTEXT

In early 2023, the Good Ancestor Movement (GAM) and Decolonising Economics (DE) began a collaborative project to explore the role of investments in fortifying and sustaining the solidarity economy. Both organisations' strategies are based around the Strategy for a Just Transition Framework, and this

collaboration sought to outline the ways that wealthy people who want to facilitate this transition can divest from the extractive economy and find ways to invest in the emergence of the solidarity economy. Decolonising Economics undertook the research described in this report to guide GAM's wealth-advicing

practice in this direction. The research was rooted in the expertise brought by DE from their relationships and experiences within the solidarity economy. It was

led by Guppi Bola and Zahra Dalilah, supported by Nonhlanhla Makuyana, Harpreet K Paul and Debs Grayson.

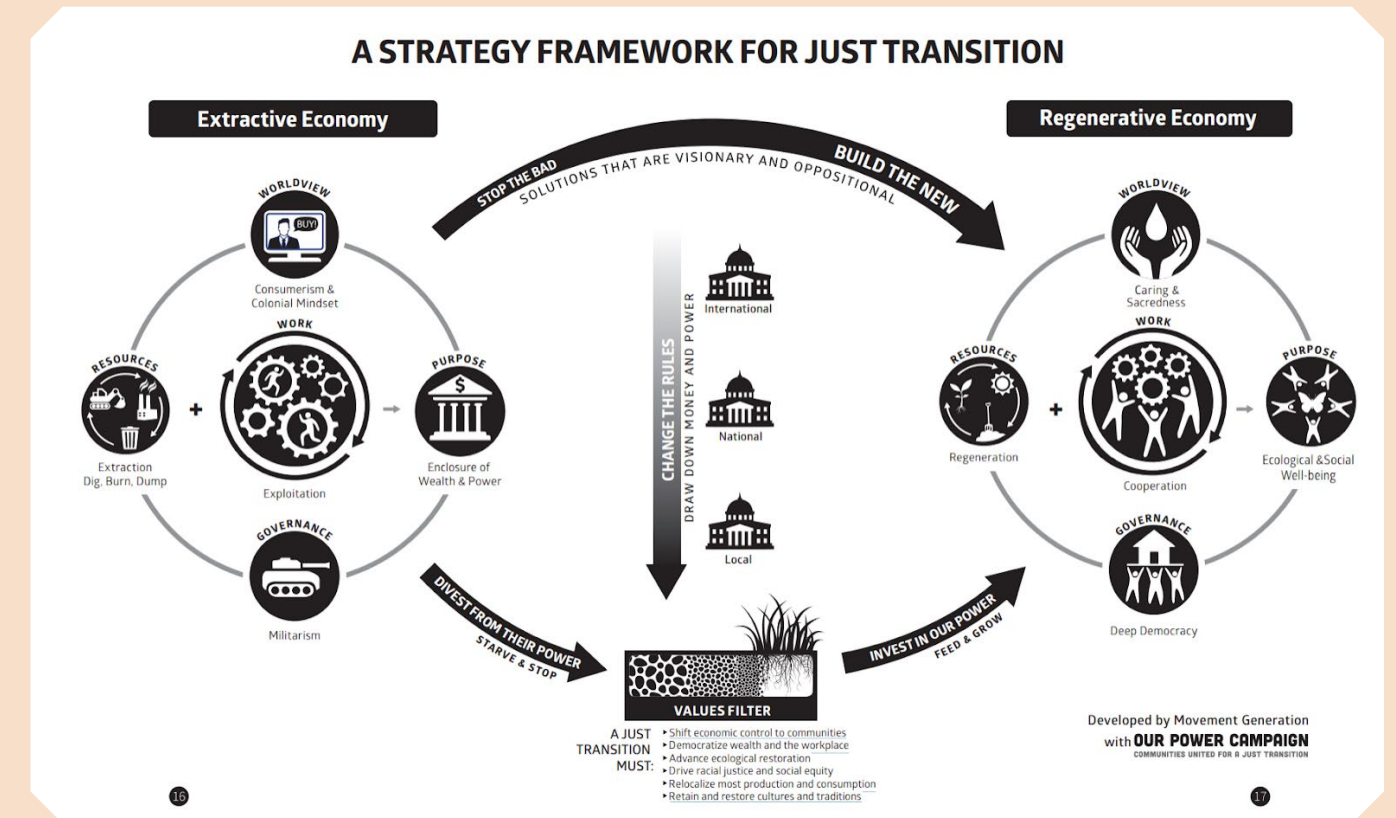


Fig 1: Visualisation of 'A Strategy Framework for a Just Transition' by Movement Generation and Climate Justice Alliance indicating approaches and guiding principles to shift from an extractive economy to one that is regenerative and fosters social and ecological wellbeing.

“We use the definition offered by two partner organizations, Movement Generation and the Climate Justice Alliance: a Just Transition describes a collective shift from an extractive “Banks and Tanks” economy towards a Regenerative Economy built for

“Cooperation and Caring.” Just Transition’s rallying cry to “Stop the Bad and Build the New” orients social movement organizers to not only resist injustice, but also to build alternative systems for survival, safe landing and thriving.”



## WHAT IS THE SOLIDARITY ECONOMY?

For us the **solidarity economy** prepares the ground for this necessary transition away from racial capitalism by ensuring that resources are equitably available across marginalised communities to both;

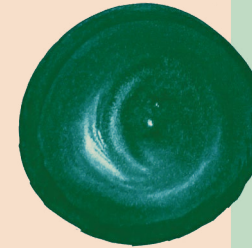
- build the capacity for communities to organise to resist the most extractive practices
- as well as be resourced to strategise towards a long term collective vision whilst meeting everyone's immediate needs



We commit to the solidarity economy because it offers a picture of the roles and responsibilities we all play within the transition, whether we are community organisers (DE's community), individuals with wealth (GAM's clients) or Just Transition advisors (GAM and DE staff). It is through this analysis that we hope to achieve what Justice Funders describe as a world where "wealth is redistributed,

power is democratised and economic control is shifted to communities in a way that is truly regenerative for people and the planet." The transition works at many levels transferring power away from extractivism towards regenerative economic practices and processes (see <https://justicefunders.org/resonance/>).

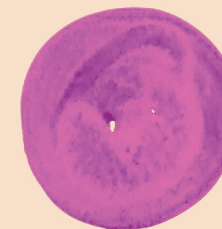
You may find us using the terms solidarity economy, economic democracy and economics for self determination interchangeably. Ultimately, words are meaningless until they are put into action. We are grateful to the contributors of <https://solidarityeconomyprinciples.org/> for building this definition of practice within solidarity economy organising, and by demonstrating those principles in the process of their development. Through this paper, we hope to illuminate the actions of grassroots organisers and how they embody these principles.



*Solidarity economy (SE) is an organising framework for those who wish to create a systemic commitment to and practice of interdependence and collective liberation in the economic activities that meet our material needs. Solidarity economy rests on our shared values: cooperation, democracy, social and racial justice, environmental sustainability, and mutualism. Interdependence and respect are central.*



*Solidarity economies are **transformative** – they redistribute power and resources to those who have been most harmed by white supremacy, colonialism, patriarchy, ableism, and capitalism – and meet an immediate material need for a community. They are not symbolic, but actually delivering the housing, food, education, culture, and other needs humans require to thrive. They challenge the power of systems based on individualism, profit, and private property.*



*Solidarity economies **emerge from movements** and integrate the three common strategies for social change: personal transformation, building alternative institutions, and challenging dominant institutions. Building solidarity economy movements requires building networks, federations, and coalitions that align with SE principles and practices. This is where we become truly powerful*





Fig 2: A circular diagram by Solidarity Economy Principles entitled 'Common Solidarity Economy Tools' gathering different solidarity economy processes, types of organisations and tools within the 5 economic pillars of creation, production, exchange/transfer, consumption/use and surplus allocation.

# PROCESS, EPISTEMOLOGY, MAPPING AND CATEGORISATION

## Distinguishing between the Social and Solidarity Economy

There is a spectrum of economic activity that has long sat under the banner of “transition”, “new economic” or “alternative economic” practices that can be easily mistaken for solidarity economic activities. The social and solidarity economy refers to “forms of economic activity that prioritise social and often environmental objectives, and involve producers, workers, consumers and citizens acting collectively and

in solidarity” (Utting et al. 2014, 1). Buchanan (2020) notes that although the social economy and solidarity economy are often collapsed together, they have different relationships to economic democracy. The social economy generally refers to entities such as cooperatives, social enterprises and mutuals which operate within a more conventional framework of economic success, compared to the solidarity economy which “has the dual dimension of both economic and political empowerment” (2020, 25) and a more transformative agenda.<sup>4</sup>

## PROCESS

Our research had seven main phases

1. **Defining the solidarity economy:** as above
2. **Scoping the landscape:** 14x 60 minute conversations with experts and thought leaders
3. **Mapping and categorisation:** of 80 solidarity economy actors
4. **Interviews:** 90 minute conversations with 15 solidarity economy actors
5. **Surveys:** in depth exploration into finances with a third of interviewees
6. **Roundtable:** 90 minute group conversations with 3 experts / thought leaders
7. **Draft review:** with partner organisations

“PART OF OUR  
LIBERATION AND HEALING  
DEPENDS ON LEARNING  
HOW TO CREATE OUR  
OWN NARRATIVES  
AND EPISTEMOLOGIES  
ROOTED IN SOLIDARITY  
AND KINSHIP. ONLY THEN  
CAN WE CHALLENGE  
OPPRESSIVE GOVERNING  
STRUCTURES.”

## EPISTEMOLOGY



**Jairo I. Fúnez-Flores**

@Jairo\_I\_Funez

Follow

Asst. Professor—For a colonized people the most essential value, because the most concrete, is first and foremost the land: the land which will bring...dignity.



**Jairo I. Fúnez-Flores**

@Jairo\_I\_Funez

Methodological obsession is a symptom of intellectual colonialism.

12:23 AM · Oct 5, 2023 · 24.2K Views

Fig 3: Screenshots by the authors from one post shared by Jairo I. Fúnez-Flores and his bio on X (Twitter). The post reads: “Methodological obsession is a symptom of intellectual colonialism.” Jairo’s bio reads: “Asst. Professor— for a colonized people the most essential value, because the most concrete, is first and foremost the land: the land which will bring...dignity.”

Central to our methodology for this piece of research was our theory of knowledge, which is grounded in the very being and practical experience of those most impacted by the extractive system. How we exist in relationship to our environments and each other is the root of economic thought and practice: “Part of our liberation and healing depends on learning how to create our

own narratives and epistemologies rooted in solidarity and kinship. Only then can we challenge oppressive governing structures.” - Centric Lab. We understand that there is no such thing as objectivity, we are all coming with our experiences, identities and knowledges and the idea that we can be wholly scientific / blank slates is rooted in a white supremacist fantasy that the universal exists in the separation from our contexts rather than the complex specificities of it. As such, we have privileged narrative and intuition to tell the story of the solidarity economy in the UK, over Western approaches to research.





## MAPPING & CATEGORISATION

Through our process of defining the solidarity economy and scoping the landscape we were able to develop categories through which to map solidarity economy organisations in the UK. We mapped around 80 groups that we felt fit this definition; these groups initially stemmed from an existing map created by Good Ancestor Movement, but were largely identified through existing networks of relationships that were have formed the basis of Decolonising Economics organising ecosystem, our collective broader networks that are housed in racial justice organising in the UK, plus actors that were identified through some of the Scoping conversations. It is worth noting that many SE actors are hard to categorise because their work is systemic and they see themselves intersecting across multiple themes and roles - in fact the very act of categorisation is itself a colonial methodology. We did not undergo a traditional “desk search” of terms and categories to build this map. At one point we had considered emailing each of the groups we had mapped and offering a

financial contribution to their work or at the very least acknowledging that we have identified them in this process - as a form of accountability to ourselves and our community.

## STAGE OF DEVELOPMENT

This was in reference to how established or concretised an initiative was based on the original criteria seeking insights from those who were “ready to receive investment”. Given our understanding of the different practices that could lead an actor to reach this stage of financing, we wanted to ensure we did not exclude useful insights into the necessary financing conditions that supported a healthy solidarity economy

## MOVEMENT ROLE

Funding an ecosystem as a whole means understanding how it interacts with itself. Using **The Social Change Ecosystem Map** by Deepa Iyer we mapped what role different initiatives were playing in the movement thus visibilising how they may also be interacting with each other.

## THEME

Several evident themes emerge through the categorisation process because of their centrality to marginalised peoples material conditions, and the organising that occurs around it. Themes also supported us to compare against various regulatory processes that governed specific assets across the economy. These themes match those used by DE to explore SE entities with its cohort in the Nourishing Economics programme.







# FINDINGS FROM INTERVIEWS AND SURVEYS

## OVERVIEW

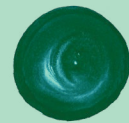
Solidarity economy actors we engaged with were facing extraction at multiple sites and levels – extraction of their work by the state, funders and the third sector, alongside the broader extractive processes across the economy in rising rents, heating bills etc. This increased the precarity and needs of employees, and the abilities of communities to invest in and pay for goods and services provided by SE actors. In this context, very few saw themselves as being in a position to receive repayable investment.



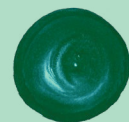
## COMMON ASPIRATIONS INCLUDED:



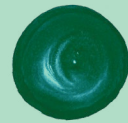
To build social infrastructure – investing a large amount of energy in nurturing strong connections and relationships, especially with those experiencing marginalisation and isolation.



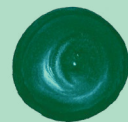
To address some of the true costs of the extractive economy – costs such as social isolation, individualisation of systemic problems (ill-health, poor housing, debt), internal conflicts among marginalised groups, disempowerment.



To create different kinds of work structures and environments for employees that were less alienating and disempowering than those within the extractive economy.



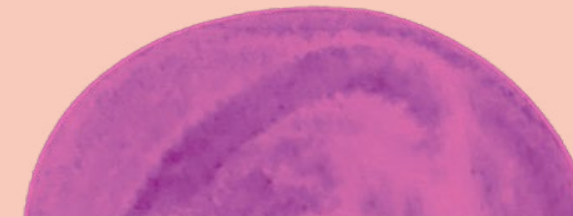
To be responsive to the emergent needs of specific and defined communities (geographical, identity-based or political). Some collectives did this by developing new programmes or providing new services (e.g. hosting NHS clinics, creating sports initiatives), others were more focussed in their activities but still very invested in co-creating products so that they were meeting genuine needs e.g. for facilitation, conflict resolution, new technology.



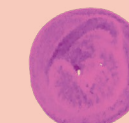
To assess their own value and worth according to how well they were meeting these emergent community needs, rather than the extent to which they were achieving predetermined project outcomes.



## COMMON CHALLENGES INCLUDED:



The sector is chronically underfunded, with many of the organisations concerned that their work is unsustainable and several projects questioning whether they could or should continue. “We are working on next to nothing to do what we are doing.”



Increasing inequality is restricting the ability to generate income, especially from marginalised communities – “the cost of living crisis and everything has just battered everyone”. Crumbling public services and public infrastructure compounded this sense of crisis, making the work of SE actors both more urgent and more difficult.



Gaps in funding and resources were often filled through self-exploitation: “in practice, the holes were filled by us”. Many spoke about high levels of stress, illness, and the difficulties of containing the work: “with something like this where it means so much to the community and movement, it is really hard to put boundaries in place”. There was often an overreliance on particular individuals, causing disruption if they left and making it hard to plan for succession (“I’m having to look at how to protect my finances as I get older, how do I step back and handover?”).



Tensions around formalisation. It was recognised that there was a need to provide decent pay, pensions and sick pay, especially for working class employees in a context of broader precarity, but also not wanting just to find perpetual security regardless of the potency of purpose.



## THE SOLIDARITY ECONOMY IS CHRONICALLY UNDERFUNDED

“We are working on next to nothing to do what we are doing. And that is probably where our own insecurity and precarity is also very heavy.”

- **gentle/radical**

Collectives seek to simultaneously continue to deliver on outcomes whether that is producing food, running workshops or running a shop, whilst designing appropriate social and technical infrastructure to support a way of relating to work and each other and generally operating that is distinct from the mainstream and easily replicable processes and structures that exist.

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## WITHIN THE SOLIDARITY ECONOMY THERE IS INEQUITY OF ACCESS TO RESOURCE

“There is so much wealth in Britain and you want to believe that individuals that do actually have some level of excess wealth will see that donating to us is their form of political action .... But that whole process requires middle class people to undertake a level of political education that I think is not available to a lot of people.”

- **The Bevy**

“I was able to use savings I had from inheriting wealth from my grandparents and my student loan, so already the project came from having a level of wealth and privilege.”

- **Sister Midnight**

Dependency on goodwill external to your community i.e. working class dependency on middle class good will, can foster a fragility and instability which can limit capacity to risk-take due to the inability to absorb shocks. Access to support such as stable housing, financial capital or financial expertise enables individuals to have the confidence and security to initiate and see through an entity. Furthermore, expectations of banks and processes of repayments, collateral, guarantors, credit scores and histories of debt all play into racialised/class dynamics which deepen the inequities experienced.

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## SE ACTORS' UNDERSTANDING AND REALITY OF RISK DIVERGES SIGNIFICANTLY FROM THE 'RISK / RETURN' UNDERSTANDING THAT EXISTS IN THE INVESTMENT SPACE

- During the interviews, questions that centred around the necessary support as well as challenges or bumps that groups had experienced yielded a recurrent list of issues that groups deemed a risk or a threat to their survival.



- **Burnout and a lack of capacity**

Where the solidarity economy is David to the extractive economy's Goliath, it is the spirit-level exhaustion of hunting for a sling and stone as seas warm and wars rage and capitalism continues to extract from those without the wealth to protect themselves from it.

- **Conflict and relational challenges in working together**

For too long, guides, story tellers, healers and front line responders have been seen as secondary or less valuable to “builders, campaigners etc” whose work is more tangible and easier to identify as ‘systems change’. What happens here is that skilled organisers stretch themselves in managing conflict in a movement ecosystem, often unresourced, unacknowledged and at the detriment to their own health.

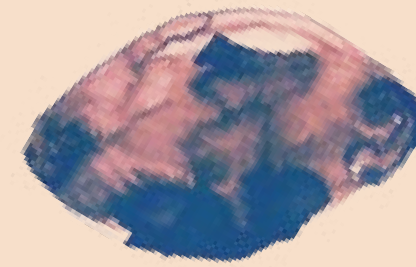
- **Mission drift and distraction from fulfilling purpose and living up to values**

The goal for many solidarity economy actors is not to replicate an NGO model that is rooted in sustaining the institution regardless of how the values, purpose or mission must mutate in order to be sustained. Losing purpose or in the words of Class Work Project “secur[ing] ourselves for the sake of securing ourselves” is perceived in this context as a threat to the work.

- **Implications for investors**

It is important to anchor ourselves in the reality that solidarity economy groups are constantly being incentivised to deradicalise in order to access financing. Any forms of financing that incentivise deradicalisation or premature formalisation also need to be considered with care and in the case of formalisation must account for the added administrative, technical and relational labour that it demands.

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## SE ACTORS AT THEIR BEST WHEN THEY ARE NOT PROFIT MAKING

“We are non-viable business.”

“The idea was always that community activities would be funded by bar takings but in any area of low income this has always proved difficult. Grants are time consuming and intermittent. Investments you have to pay back (it’s taken us nine years to pay back one loan!)”

- **The Bevy**

Across the interviews we heard repeatedly that profit was not considered inherently beneficial to solidarity economy actors and many self-identified as not commercially viable when doing their best, most values aligned work. An

important point that was also raised in a number of interviews was that those businesses generally defined by the public as ‘successful business models’ were often dependent on subsidies and investment without return.

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## SE ACTORS HAVE DIFFERING PERSPECTIVES ON INVESTMENT

### Investment and investor relationships

There were differing views on what the investment relationship could or should look like – whether it should be less involved than the traditional model (more hands off, no conditions) or more involved – a long-term commitment to weather difficulties together and treat them as shared problems.

“Specifically, being a Black and brown led organisation ensuring the right investment from the right person conjures up some nervousness. The whole premise is that we want the building to belong to the people, it’s really important to know the investment is not coming from somewhere that is causing harm to Black and brown people.”

- **People Dem Collective**

Some scepticism of the usefulness of investment was centred around the role of money itself, with money often not seen as enough, and a recognition of the need for infrastructure within the ecosystem, mentorship, elders and other kinds of support.



## Debt and power

The idea of being accountable to those with wealth, which is tied up in the idea of 'owing' someone, presents a challenge to the solidarity economy actor whose organisational design is set up to do the opposite: to give communities power, and create structures of accountability with those involved or impacted, as well as those who have given endless invisible and/or unpaid labour to make the work possible in the first.

## Returns

Referring back to the SE model of production > exchange > consumption > surplus allocation > creation - any “profit” is reinvested by the community for the community, with the principle of building a regenerative economy. It is worth considering how the concept of returns disrupts this infrastructure moving surplus out of the community economy into the hands of wealth holders.

## Repayable finance was considered incompatible with the principles of redistribution and reparation

The process of repair, through reparations, can be broken down into five key phases: Restitution, Compensation, Rehabilitation, Satisfaction and Guarantees Of Non-repetition. In order to be part of a process of repair investors would have to start with locating their own responsibility in the harm caused, apologising and return anything deemed 'stolen' (usually artefacts but possibly also capital) before even being ready to step into the 'compensation' phase. In this phase, compensation is not repayable.



## CONCLUDING REFLECTIONS ON FINDINGS

### We need more effective and intelligent financing strategies

The chronic under-resourcing is symptomatic of over a decade of austerity, continued chronic inequality and the failures of institutional philanthropy to rise to the challenges of our times. In order to effectively move the solidarity economy away from this burnout and under-resourcing, without compromising its mission, a strategy must be developed which looks to holistically resource an ecosystem. This means it can meet the needs which emerge from the deficits of time, energy, wellbeing, capacity to absorb, mentorship, eldering, interpersonal relationship support, organisational coaching, training in knowledge gaps, values-led organising support, access to physical infrastructure, operational, financial and accounting support, legal advice and emotional support.



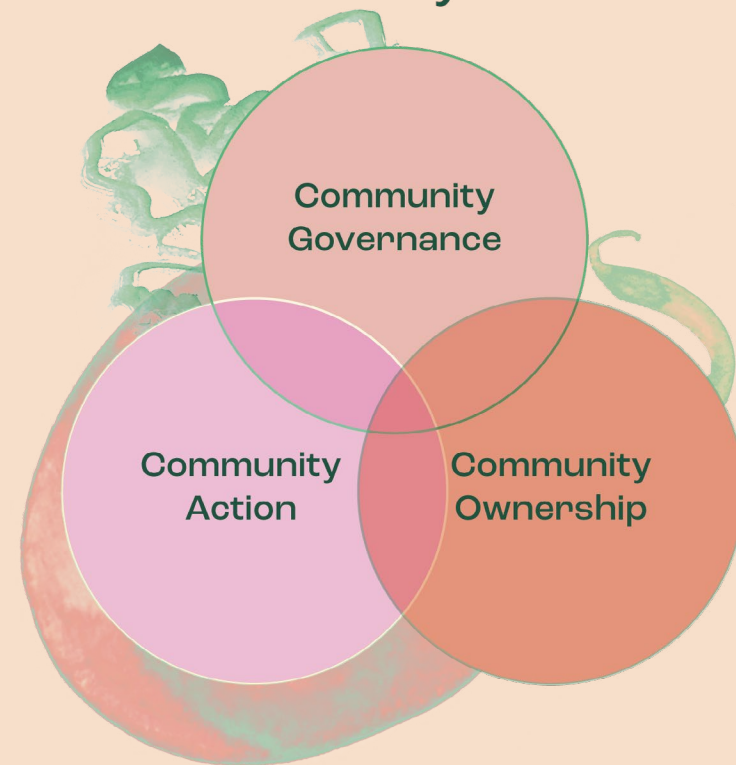
## Financiers are unskilled in distinguishing between the social and solidarity economy

“Years past, the management committee gets old and move away and we get new directors and new staff who are just coming from the normal sector, they’re not part of this ethos”

-Nubia Way

This diagram can act as a support to discerning between communities which are building power, in which case engaging in action is a prerequisite, and those who are owned and governed by a community or group of individuals but who are not taking action to resist or disrupt the norms of the extractive economy. However, this thin line remains a real threat in the work of the Good Ancestor Movement.

## Three Dimensions of Community Power



## Role of individuals with wealth in the movement space

It is imperative that part of the investor journey is about releasing the notion that they are well placed to make decisions on how or what within the solidarity economy should be resourced. Steering investors away from being the authors of their own impact thesis is essential, resourcing instead the community to act as decision-makers as needed. As Good Ancestor Movement deepens its own trust based relationships with the relevant intermediaries and solidarity economy actors, it will simultaneously be deepening trust with its investors. This allows for GAM to absorb the emotional labour of educating and holding wealth holders through their journey whilst disrupting the power dynamics inherent in investor/investee relationships.







# RECOMMENDATIONS

## GAM's political education journey

It has taken years of immersion in the movement for a solidarity economy to build the relationships and expertise that has enabled this project. We encourage GAM to identify ways in which it can also build capacity in this, through ongoing engagement with movement actors and/or investing in partner organisations that sit closer to or within the movement. Over time we believe GAM should be able to build the muscle of discerning

the differences in organisations within identical themes and structures who have wildly different analysis, principles and visions for their work. By engaging in this ongoing learning process, it will mitigate privileging the social economy, or opportunistic middle-class, less transformative initiatives that adopt the identity of SE without practising any of the principles of community self-organisation, governance and community action.



- Deepen capacity for the organisation to identify an SE actor at a local, national and global context
- Deepen understanding of how groups operate using the 'values filter' of the Just Transition framework at an organisation wide level
- Interrogate understanding of risk and success
- Deepen critique of 'profit' and build a focus on community power
- Appropriately and strategically resource the political education / learning / praxis of both wealth holders and GAM to move money effectively
- Lobbying and advocacy
- Create alignment within radical redistribution organisations

## GAM's investment practice in the solidarity economy

We believe the SE has the capacity to emerge in the coming years if organised philanthropy and individuals with wealth are ready to trust communities with their own strategies for building community power. For now, we encourage GAM to consider what other forms of financing would be more appropriate at this point, over investment, in order to support the more radical, redistributive and reparative practices that are not resourced by organised philanthropy.

Radical, redistributive and reparative investment in the solidarity economy means prioritising those not ready to receive repayable finance.

- Adopt the right strategies to build the solidarity economy
- Invest according to the true cost rather than the historic cost

- Avoid replicating the harms of monitoring and evaluation in organised philanthropy through non-capital returns
- Focus on resourcing SE actors through land/space
- Resource the whole ecosystem, not just individual actors

## GAM's investment practice in the social and extractive economy

The reality of the movement's capacity to thrive is limited by the conditions within the movement. Many of the roles in the ecosystem (e.g healer, frontline responder, builder and so forth) need to be filled by solidarity economy actors - where suppliers, producers, spaces of exchange are entrusted by the community. For now, these relationships may exist in the social or extractive economy and need to be supported to transition to SE actors in an aligned ecosystem.

- Only invest in community businesses and social economy actors who are in relationship with solidarity economy actors
- Explore resistance strategies that can disrupt the extractive economy



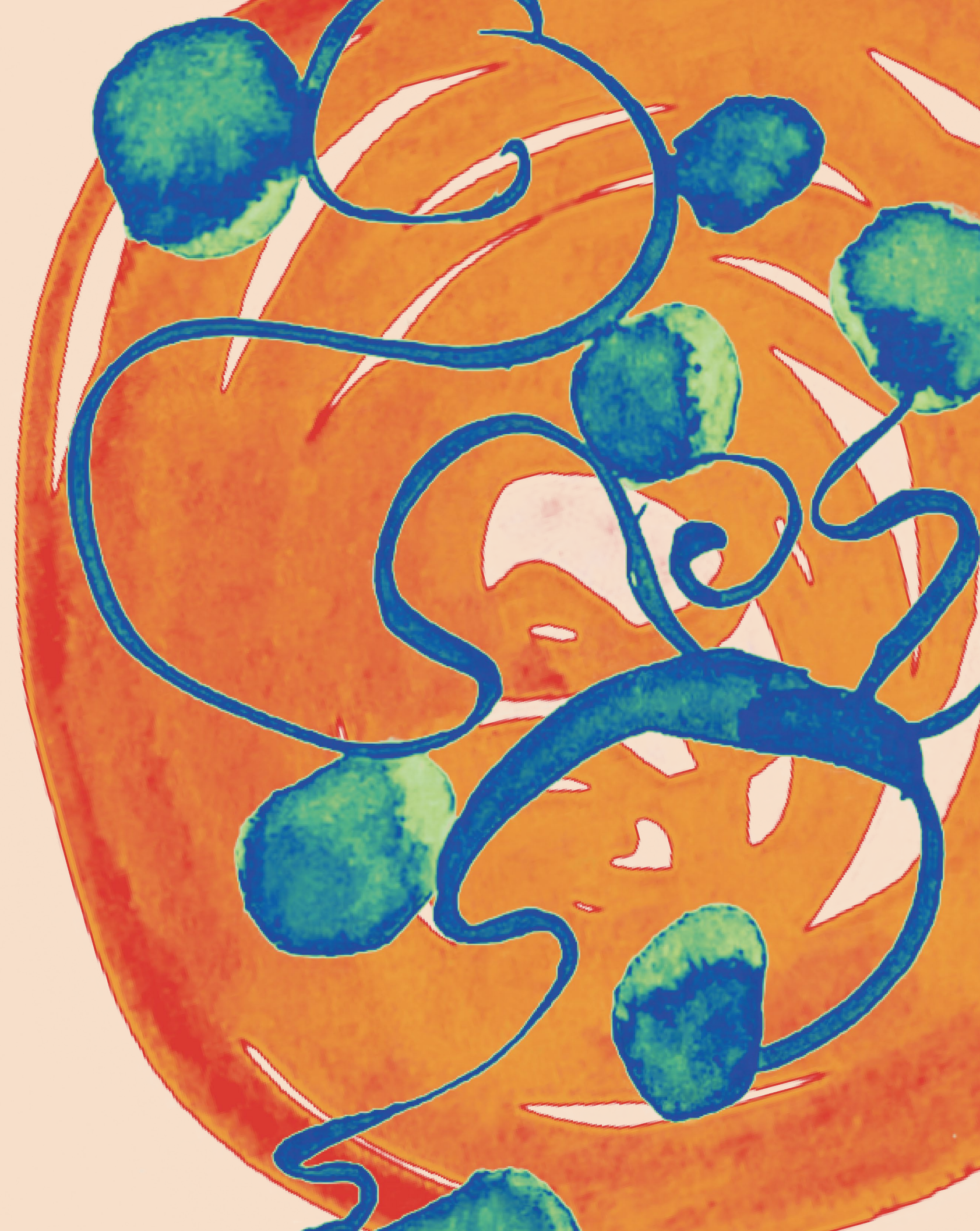
# CONCLUSIONS

In this paper, we hope that we have shared the pitfalls and potential trappings of taking a siloed approach to financing solidarity economy initiatives, and preventing this by better understanding the historic and existing resourcing infrastructure around social movement organisers and their strategies for transforming the economy.

The purpose of this piece of research was to explore how “transformative investment” practices could be shaped by holding a deeper understanding of the intentions, needs and practices of solidarity economy actors. It is clear that investment in the form of repayable finance only makes sense if the initial set of resources are governed by a community-controlled entity (such as a mutual fund or community bank) so in keeping with the SE cycle - any surplus from the activities of the community are put back into the ecosystem to support its impact.

This would only be possible if in the next

5-10 years, philanthropic grant giving has been redesigned to offer meaningful, mortgage-style flexible funding for communities to meet their immediate needs, strategise and build. At this point, with the retreat of State social welfare infrastructure and increased complex needs of communities to meet their immediate material needs - it is unlikely that any SE initiative is able to sustain themselves without some compromise on practice, principles or being complicit in burnout culture. We simply cannot succeed through a singular form of financing - and so the next phase of this work must begin mapping the SE financing ecosystem in a way that is designed by and coordinated from within movement organisers. We believe some incredible things will happen if we work along the lifespan of a movement, and not just at the tail end of initiatives and enterprises.





# RESOURCING THE SOLIDARITY ECONOMY

Insights on building community power through reorganising wealth

April 2024

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Design and layout by Amir Khadar - [www.amirkhadar.com](http://www.amirkhadar.com)

## About Good Ancestor Movement:

Good Ancestor Movement (GAM) is a non-profit organisation which is disrupting mainstream ideas about the economy, wealth stewardship and the redistribution of resources and power in society.

## Keep in touch:

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