

Workshop: Real wealth: evaluation and indicators

Opening page

Going beyond the growth cult: evaluation of wealth factors for creating a model of social and sustainable development

The economy of solidarity is in the process of moving from the phase of localised and sector-specific alternatives that fill the gaps left by the dominant economic system into another way of looking at economics, which focuses on the human being. With this in mind, the Alliance has chosen to discuss the socioeconomy of solidarity.

The socioeconomy of solidarity is characterised by alternative forms of services (directed at people, at inhabitants, families, the elderly and the young, etc), of finance and saving (microfinance, social finance), of distribution (fair trade, ethical consumerism), of production (sustainable and clean), of exchange (local and social currencies, local barter systems), and of new relations between State and civil society (based on contracts, covenants and agreements, delegation of services, etc.) But in the absence of a shared vision, the risks of fragmenting and trivialising the socioeconomy of solidarity increase, with each sector looking for its niche in an attempt to catch up with or adapt to the market or State.

But are the agents and firms of the social economy really able to include their activities in a project for society or propose a different model of development? If they are, the necessary evaluation of the economic and social performance of the socioeconomy of solidarity must not be shy of criticising a market society in which development is reduced to GDP growth, where share capital companies are the only legitimate form of economic organisation and where the market is the only effective principle for producing, exchanging and distributing wealth.

The role of evaluation is critical to the construction of a development model, as long as one recognises the political dimension of assessment, which is first and foremost a debate on the objectives of wealth production, consumption and distribution¹. As Patrick Viveret points out, “defining evaluation as a deliberation on values, which would fit the etymology of the word, involves refusing to limit it to a simple measurement exercise that in itself refers back to the dominant categories of an economic structure that has cut its ties with ethics and politics, The issue of indicators based on tools cannot therefore be the etymology behind the issue of criteria that form part of the debate on objectives”². “From this perspective, evaluation processes can give us a better grasp of the specifics of a socioeconomy of solidarity and particularly the conditions needed to put the initiatives that claim to follow these principles in line with a new model of development that helps to make economy and society plural and democratic”³.

This more global objective currently means being able to develop the dominant representations of the economy, public institutions and public opinion.

The ambition of the agents of economy of solidarity to be bearers of a new model of development depends on their ability to develop the representations of the economy and of wealth beyond growth and the market. This is a two-fold challenge: on the one hand, to show how the initiatives and networks of the economy of solidarity gain specific collective profits for society and on the other, how they help to create another form of economy. This is why the evaluation of what makes up the wealth of a society is crucial both in terms of the criteria and systems of evaluating the common good (what is the wealth of an area?) and of the indicators of social economics (how to assess it? how to measure it?)

Types of criteria and indicators

Indicators are both qualitative and quantitative. In the case of the socioeconomy of solidarity, the latter are of particular importance and will therefore probably be much harder to define and deal with. In

¹ Bouchard M., Dumais L., “Rapport sur les enjeux méthodologiques”, document for France-Quebec co-operation work on social and solidarity economy, May 2001.

² Viveret P., *Reconsidérer la richesse*, phase report, February 2001.

³ Bouchard M., Bourque G L., Levesque B. with the collaboration of Desjardins E., *L'évaluation de l'économie sociale dans la perspective des nouvelles formes de régulation socio-économique de l'intérêt général*, CRISES booklet n°13, October 2000.

some workshops, for example, the notion of social capital⁴ has been taken as a reference point. Social finance has thus been defined as that which increases social capital. But how does one make this *social capital* and its growth visible? A set of *indicators* could be constructed on the basis of the following criteria⁵: the participation of MFI clients⁶ in decision-making and ear-marking of funds, their ability to analyse their own situations and draw up a project, their state of health, education and housing, the ability to organise themselves, to manage, to establish relations with the administrative and political environment, to negotiate with technical staff, to take ownership of the financial system put in place, to distinguish between good and bad measures and decisions, to open up to a longer-term time scale, to integrate the systems into the dynamics of the area, and so on...

Beyond the realm of social capital, it should also be important to be able to measure factors such as the depth of democracy (or the democratisation of the economy), the fight against social inequalities, the identification of and response to new social needs, the mutualisation of market, non-market and non-monetary resources, the creation of new forms of co-operative and participatory economic managing and regulating, or non-specific beneficial effects such as job creation, professionalisation, the fight against exclusion, etc.

The process of drawing up criteria and indicators

The process of setting out the criteria and indicators should be consistent with the social objectives and democratic systems generally vindicated by the field of socioeconomy of solidarity. This would mean that participatory and negotiated evaluation is the preferred form, in which effectiveness is based on re-appropriation and redefinition of the collective project, management systems and the results attained by all concerned, and a public debate on the results involving both the authorities and the partners. The point is to avoid two possible obstacles: that of agents' self-legitimation by means of closed self-assessment, and financial control by the authorities and lenders by means of procedures using external experts.

The process of drawing up the indicators must be based on the particular practices and area in order to be fully relevant. There must also be some theoretical reflections. The process will thus be an on-going pendulum swing between group theorising and application in the field.

This new workshop may therefore be a little different from the previous ones, as it may intertwine theoretic research work, applied research work, case studies, and a discussion, thinking and summary group.

This work also needs to be done in the different sectors of the socio-economic solidarity field: commerce, financing, currency, consumption, production, ... liaising with a summary team that will attempt to extricate the global and transversal indicators.

Debate on and promotion of criteria and indicators

Throughout the process, we must remember that at the end of the day the indicators must serve the cause of the socioeconomy of solidarity and be convincing to decision-makers and bodies, or at least influence them in their own practices. This aspect must be born in mind throughout the course of the work we do here.

We cordially invite you to take an active part in this workshop.

⁴ "Social capital can be defined as people's ability to co-operate and act together by using or creating the necessary social ties for working towards shared goals that are sustainable and based on solidarity. Social capital does not refer only to the sum of individual abilities but to a collective capital that belongs to the group and guarantees its cohesion, permanence and action". (definition used in the Booklet of Proposals of the Social Finance Workshop, Nov 2001)

⁵ *ibid.*

⁶ Microfinance Institutions