



Localizing the SDGs through Social and Solidarity Economy

Realizing the vision of the 2030 Agenda is more than just meeting its goals and targets. It ultimately requires changing the structures that generate inequality and poverty to ensure that no one is left behind. “Transformative localization” of the SDGs—that is, meeting diverse needs and transforming economic, social, and political structures at the local level in an inclusive, democratic and sustainable way—is crucial. Enterprises and organizations of the social and solidarity economy are attracting increasing attention from policy makers and practitioners as important players in processes of localizing the SDGs. This brief identifies some key factors for transformative localization, links them to SSE, and highlights related opportunities and challenges.

Implementing the SDGs in all localities and for all communities

The ambitious vision for transformation in the 2030 Agenda for Sustainable Development and its core principle of leaving no one behind can be realized only if the economic, social and political structures and relations generating injustice are corrected at multiple levels of governance. With a wide range of political, economic, social and environmental problems—as well as opportunities for progress—to be found at the local level, translating this global agenda into national as well as local solutions in urban, peri-urban and rural areas is key to achieving the SDGs.

Social and Solidarity Economy for the SDGs: Spotlight on the Social Economy in Seoul

This project examines the social economy (SE) in Seoul, Republic of Korea, and how it is contributing to implementing and, ultimately, achieving, the city’s “localized” SDGs. Characterized by a rapid development of proactive SE policies, dramatic growth of SE organizations and enterprises, and the Seoul Metropolitan Government’s strong commitment to the Sustainable Development Goals (SDGs), the city’s experience can enrich understanding of social and solidarity economy as a means of implementation of the SDGs. The project adopts a mixed approach of qualitative and quantitative methods. It includes thematic studies, in-depth case studies in Seoul, cross-case comparative analysis, and analysis of SE policy initiatives. The final project publication will be available in mid-2018.

To learn more, visit www.unrisd.org/sse-sdgs-seoul



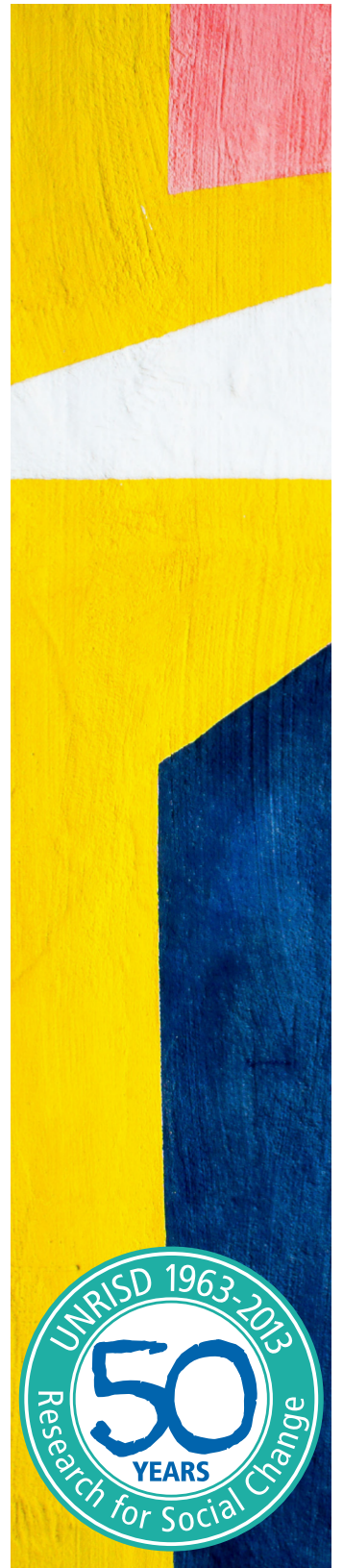
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While attempts were made to “localize” the Millennium Development Goals, progress towards their achievement was mainly assessed in terms of national averages, which obscured the fact that multidimensional inequalities were increasing within and between urban and rural areas in both developed and developing countries. Acknowledging the importance of implementing the SDGs in all localities and for all communities, the 2030 Agenda emphasizes the role of local authorities and communities in strengthening sustainable ecosystems, promoting local culture and products, fostering community cohesion and personal security, and stimulating innovation and employment. SDG 11 (Make cities and human settlements inclusive, safe, resilient and sustainable) is a manifestation of the importance of localizing the SDGs.

Linking the guiding principles of SSE with transformative localization

Social and solidarity economy—economic activities guided by principles of cooperation, solidarity and democratic self-management, and which prioritize social and, often, environmental objectives beyond the profit motive—has a strong local component as well as characteristics which can foster transformative change. As such it has great potential to contribute to the transformative localization of the SDGs.⁷

SSE can address multiple objectives of sustainable development in an inclusive, democratic and sustainable manner. Through localized circuits of production, exchange and consumption, SSE is conducive not only to basic needs provisioning but also to local economic development more generally. It can enhance the capacity of local producers and communities to increase value-added, and stimulate demand for locally produced goods and services. SSE can also contribute to retaining a greater share of income and generating tax revenues for the local area.



Solidarity, social cohesion and collective action, which are key characteristics of SSE, can facilitate cooperation among local actors to improve basic infrastructure and social services, as well as promote the economic, social and political empowerment of vulnerable or otherwise excluded groups, particularly women.

SSE operating principles also include internalizing rather than externalizing environmental and social costs, and correcting unsustainable patterns of consumption. On this basis, SSE actors can agree on rules to use common resources in a sustainable way more easily than conventional for-profit businesses. As key players in the local political economy, SSE enterprises and organizations also have a significant role in ensuring the accountability and people-centred responsiveness of policy makers to local needs and demands. As such, SSE can enhance the inclusiveness of policies.

How can these attributes of SSE contribute to localizing the SDGs in ways that generate transformative change? What institutions, policies, platforms and tools are needed? What are the challenges and limitations of SSE when it comes to the transformative localization of the SDGs?

SSE can help avoid pitfalls when localizing the SDGs

Although development discourse and practice consistently emphasize the importance of localizing international and national development strategies and goals, results thus far have been less than satisfactory. In the context of the 2030 Agenda, which is built upon the principle of leaving no one behind, localizing the SDGs is essential for realizing the vision of transformation everywhere for everyone.

Policy makers and practitioners seeking a holistic approach and comprehensive set of measures for localizing the SDGs must overcome numerous challenges. Below we explore three common pitfalls, and the role that SSE can play in addressing them.

PITFALL 1: Adopting national strategies that ignore local specificity

Fixing national goals, targets and indicators without considering local conditions runs the risk of ignoring locally relevant solutions and, consequently, causing uneven development. National development goals and targets are often the result of national-level political competition and compromise, and do not necessarily reflect diverse local conditions and needs. Localizing the SDGs requires its own local democratic governance mechanisms that engage multiple stakeholders. This is also essential for achieving the SDG targets of establishing effective, accountable and transparent institutions at all levels (Target 16.6) and ensuring responsive, inclusive, participatory and representative decision-making at all levels (Target 16.7).

The role of SSE

SSE organizations, which are guided by principles of democratic self-management, solidarity and cooperation, can be key players in local participatory democracy. Examples from Ecuador and Bolivia illustrate how this can occur.⁹ These countries have institutionalized the collective right of communities to be engaged in designing projects and laws affecting their lands or environment. Additionally, the institutionalized participatory mechanisms associated with SSE have facilitated local participation and the allocation of public goods.

Increased participation in SSE organizations is a way of empowering women. This empowerment occurs not just in the workplace; it also has important spill-over effects on women's emancipation in both the public and domestic spheres, which is another key element in localizing the SDGs. Good examples include: women-owned cooperatives, self-help groups, mutual health and savings, and credit organizations in Africa; community forest groups in India and Nepal; and social enterprises that provide proximity services in Western Europe and Quebec.^{8,9}

A variety of intermediary support organizations promoting SSE have been established by the central and local governments in the Republic of Korea, providing another good example related to democratic governance. These intermediary support organizations, often staffed by former SSE practitioners, promote policy dialogue between and within the government and the SSE community.¹ They foster open, transparent, democratic processes of consultation around SSE policy making, which can lead to more effective policy outcomes. However, SSE needs to avoid being instrumentalized by the government to achieve narrow policy objectives, which is one of the major risks involved in government-led support mechanisms.

PITFALL 2: Establishing institutions and policies; neglecting empowerment and participation

Strengthening formal institutions, including through legislation and regulation, is necessary but not sufficient for realizing the transformative vision of the 2030 Agenda. Without broad-based social mobilization as well, including of poor and otherwise excluded people, these formal institutions can still be subject to the overriding influence of, or outright capture by, powerful local elites. Elite capture can be found, for example, in local areas of newly democratized countries: when institutions of "good governance" are designed in a top-down manner or parachuted in, they may end up entrenching underlying unequal power relations. Informal and formal linkages between business and political elites can also unduly influence development strategy, constraining the ability of all population groups to be active agents of change and hindering



Localizing the SDGs:

Processes to design, implement and monitor strategies for achieving the Goals and Targets of the 2030 Agenda for Sustainable Development in local contexts.

achievement of the SDGs. For example, they may prevent the economy from diversifying into productive industries associated with decent work and environmentally friendly practices³.

The role of SSE

SSE organizations, and cooperatives in particular, which are often intertwined with broader social struggles to promote the interests of the most vulnerable, can play a key role in preventing elite capture and empowering disenfranchised or voiceless groups through their bargaining power, by forming alliances and by transforming nominal participatory democracy mechanisms into effective ones.

SSE, however, can also be instrumentalized by local elites when there is heavy external pressure to perform well economically. Fierce competition and limited access to resources may force SSE to shift its focus from core values such as democracy, equity, cooperation and solidarity to economic viability. In extreme cases, one specific SSE organization or sector may monopolize subsidies, exert influence over entry by new rivals or fix prices as happened, for example, in sugar cooperatives in Maharashtra, India². These practices may undermine the capacity of local actors, including other SSE actors, to correct inefficient and inequitable markets, and consequently obstruct the transformative localization of the SDGs.

PITFALL 3: Subsidiarity without solidarity

Local governments, as the first point of contact for citizens and residents, are best placed to understand local-level needs. But taking steps to address local needs without considering the broad principle of solidarity, or other localities' needs, can be contradictory for the process of attaining the SDGs for all. Rejecting migrants in response to perceived local interests, for example, seriously undermines the principle of leaving no one behind, and can ultimately violate human rights. When a local administration implements environmental regulations, the unintended result may be to push dirty industries to other underdeveloped areas. Another example is race-to-the-bottom behaviour of local governments through deregulation or loose regulation and tax cuts to attract new outside investment. In addition to the unsustainable pattern of development that this can create locally, such investment tends to result in a skewed flow of capital and income from local communities, often towards major cities or abroad.

A steering and coordination mechanism to strengthen subsidiarity based on solidarity across local areas is necessary to prevent geographical externalization of environmental and social costs, and skewed geographical resource flows. Central to such a coordination mechanism is interactive governance involving multiple actors, at the same or different levels of governance. Interactive governance can strengthen horizontal, vertical and diagonal networks

within and between actors at local, national, regional and global levels.

The role of SSE

The many transnational coalitions and international networks that bring together national and local SSE organizations contribute to strengthening coordination mechanisms and solidarity across different localities. By fostering the exchange of local knowledge and mutual learning from experience, they help identify sustainable local solutions. They also often support collaboration with networks of local authorities, such as United Cities and Local Governments (UCLG) and International Council for Local Environmental Initiatives (ICLEI)⁴. Other notable examples of coordination mechanisms include Fairtrade International, HomeNet (representing domestic workers), and La Via Campesina (representing small farmers and agricultural workers). Costa Rica's extensive network of community-centred NGOs and SSE enterprises (Asociaciones de Desarrollo Comunal / ADC) provides an example from the national level. The ADCs play a significant role in coordinating the allocation of state resources across different localities for infrastructure development, including of roads, electricity, sanitation, and socio-cultural centres^{8,9,10}. Coordination mechanisms such as those seen among SSE actors and enterprises demonstrate how to join up solidarity and subsidiarity, in line with the principle of leaving no one (and no place) behind.

Supporting SSE as a transformative means of implementation

Realizing the transformative vision of the SDGs demands equally transformative means of implementation, which aim to change not only the outcomes but also the underpinnings of social injustice. SSE has the potential to contribute to localizing the SDGs in a transformative way. Like other means of implementation, however, SSE organizations are not homogeneous in their principles, values and practices.

The discussion above indicates six strategic ways to strengthen the institutions and actors of SSE, and other sectors, to help localize the SDGs.

1 SSE organizations and enterprises will gain strength by **staying true to their core values and principles**. While undertaking activities that are economically viable, they also need to work to break down the structures of inequality that underpin social exclusion, vulnerability and unsustainable development in the local context.

2 **Local democratic mechanisms**, which allow multiple stakeholders with diverse ideas, including SSE enterprises and organizations, to contest and negotiate policy solutions reflecting local conditions,

The many transnational coalitions and international networks that bring together national and local SSE organizations contribute to strengthening coordination mechanisms and solidarity across different localities.

need to be established where they don't exist, and strengthened where they do.

- 3 Interactive governance** involving vertical, horizontal and diagonal networks with multiple actors at different levels needs to be strengthened by including SSE organizations and enterprises which reassert social control, democratic practices and the place of ethics in the economy in and beyond the locality.
- 4 Local politics** needs to be reconfigured to provide an enabling environment for SSE to scale up in ways that respect its core values, which are critical for transformative localization of the SDGs.
- 5** While **collaboration with government** can maximize impact in terms of localizing the SDGs, SSE needs to avoid the risk of being instrumentalized by government for narrow political and policy objectives.
- 6 Local control of production and consumption circuits** through economically and politically empowered SSE actors needs to be strengthened to prevent the outflow of income and assets from local areas, and the unjust distribution of environmental and social costs and income through value chains and market mechanisms.

Sources and further reading

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