

*Ciriec*  
*international*

**CIRIEC**  
*Italia*

# **24<sup>th</sup> International Congress of CIRIEC**

*Napoli Italia 30 settembre - 2 ottobre 2002*

## **THE BASES OF EDUCATION AND TRAINING FOR THE DEVELOPMENT OF SOCIAL ECONOMY**

**Mauricio Serva**

Professor, University of Paraná

(Brazil)

***Workshop 2 – Education and Training***

## **INTRODUCTION**

In the context of globalisation we observe a range of initiatives, stemming from the non-trading company, which are necessary in dealing with problems and emergent needs. Among these initiatives are those which intensify collective action within the sphere of the social economy. Owing to profound social changes which have taken place during the last few decades, collective action in this sphere of society is in an unusual situation: it needs to go with the flow of the changes, to strive for its own updating and, at the same time, has to respond effectively to new and ever-increasing demands.

Members of the organisations of the social economy have therefore been confronted with new challenges as the current situation, and certainly the future situation, requires new positions and new procedures. A great deal of effort has to be made in order to satisfy such demands. In this process, education, and consequently vocational training, continues to make a large contribution to those parties involved in the social economy.

In this study we try to enrich the debate on the possible contribution of education and vocational training. Firstly we discuss some propositions that could be adopted within the field of education. We will then apply these propositions to the subject of in-house vocational training, all of which are aimed at the development of the social economy.

## **THE BASES OF EDUCATION**

In the 1990's, under the coordination of Jacques Delors, the International Committee for Education for the 21<sup>st</sup> Century produced the report, *Education, a treasure to discover*, for UNESCO. This report refers to the four main axes of education for this new century, aiming at the integral education of the human being: learning to be, learning to live together, learning to do and learning how to learn. Aside from these axes we add some complementary principles to discuss the foundations of education for the development of the social economy.

*Learning to be* is the first axis of the essential training which should be part of the educational policy of every country. Its objective involves the development of autonomy and solidarity in the individual as well as the construction of a life plan which takes the well-being of individuals, and the community as a whole, into account. Such an objective is completely compatible with the principles of the social economy, as autonomy and solidarity constitute its essential values. Concerning the construction of a life plan aimed at individual and social satisfaction, we can affirm that it corresponds to the ethics of collective action within the social economy. The combination of social justice and individual freedom guides such collective action and produces a large variety of initiatives engendering living and working alternatives for

those who believe in the transformation of human relations by the reinforcement of the social economy.

Recognition of the improvement of the human being as the fundamental axis of new education confirms what Carl Rogers (1978) suggested was the vital objective of education: “*the fully functioning person*”. According to the American psychologist, education that reinforces human potentialities has to be a process of assistance to the individual so that he/she becomes open to his/her own experience; a person who lives in an existential manner, that is to say a person free of prejudices and open to changes; and, consequently, a person who is self-confident and is responsible for his/her doings. If we want an education which encourages the renewal of productive and social relations, we have to start with the individual aspect by identifying what the party may personally achieve with the construction of a social economy directed at human emancipation.

*Learning to live together* concerns the improvement of the individual as a member of a group and community. This requires the improvement of the individual’s ability to communicate, integrate, participate and cooperate. The educational process also has to develop the individual’s abilities necessary for the strengthening of collective action, such as making a participative decision, promoting differences as well as managing conflicts. Consideration of this axis as one of the fundamentals of education is crucial. A sense of community and a feeling of belonging are aspects which can help the reconstruction of the social cohesion in a world where individualism is extremely highly valued. The abilities mentioned above, however, cannot be easily developed – it demands systematic attention on the part of the educational process.

In this way Edgar Morin advocates the systematic teaching of democracy. Democracy, aside from being an ideal to be made a reality, constitutes a group of complex practices that one can learn. According to Morin (2001), “*democracy cannot be simply defined [...] demanding diversity and conflictual situations at the same time, democracy is a complex system of organisation and political civilisation which feeds and feeds on the autonomy of the individual’s spirit, freedom of opinion and civic responsibility...*”. Moreover Morin implies that our society needs a democratic regeneration because the focus of politics on technology and economics, added to the concentration of economics on growth, leads to the weakening of civic responsibility and democratic life. That is to say, when we trust the social economy as a means of contribution to the construction of a better world, we cannot abandon the reinforcement of its political dimension. Within the organisations of the social economy, any collective action should honour the democratic principles through the making of participative decisions, the promotion of differences and the management of conflicts. These are abilities which can be developed by education. To reinforce democracy, the organisations of the social economy should combat the focus of politics on technology and economics by re-politicising the social life. In this respect education can play a very important

role. We consider that, above all, learning to live together means to respect the other and to pursue the daily democracy.

*Learning to do* is the third axis proposed for education of this century. It concerns a call for practice and emphasises the recommendation that education has to make the individual able to work from the perspective of the demands which have transformed labour during the course of the last century. Among these demands are teamwork and initiative.

If education is understood to be a process which encourages initiative then it can also be seen as a driving force behind the action. Concerning collective action within the social economy, this way of looking at education confirms a principal set by a Brazilian educator Paulo Freire (1996): “*education is a form of intervention in the world*”. Aside from that, as a basis of education for the development of the social economy, we propose the training of daily practices that take place in the organisations of this sector. As soon as such practices reflect the values of the social economy, they can engender creative forms of intervention in the world by proposing alternatives to individualism and social injustice, which currently predominate in society. To see the social economy as one of the fields of collective action for the emancipation of man, we ask you to note education’s contribution to the construction and diffusion of knowledge that informs us about the transformation practices in the working world. This is particularly valid in the context of crises and imbalance of the dominant economic model.

The last of the four axes is *learning how to learn*. This focuses on an education capable of arousing and maintaining intellectual curiosity and critical sense. These abilities allow the improvement of real comprehension and discernment. This axis also accentuates education as a means available to the individual so that he/she can learn throughout the course of his/her life. As has already been done during the discussion of the preceding axes, some supplementary principles will now be added to this final axis.

Firstly we recall that Carl Rogers (1978) affirmed, “*the most socially useful training in the modern world is that of the process of training itself*”. Therefore, as far as the social economy is concerned, education is a continuous process which allows the individual to learn to be, to live together and to do. That is to say education is a continuous process directed at all parties of all age groups no matter the time of their involvement in this economy. Henceforth, in all sectors, although principally within the social economy, the process of education is being continuously shaped and reshaped by all individuals involved in the organisation of a fairer society. Education’s continuous nature can be explained by the fact that in today’s world we live in an era of knowledge and, above all, because education is the key to real understanding and discernment.

Secondly, we refer to Edgar Morin (2001) who affirmed the teaching of democracy, and the ethics of understanding is necessary for education of the future. The author differentiates intellectual understanding from intersubjective human understanding, both of which are requirements of future education. When learning how to learn is based on an education which allows better real understanding, it is a question of such complex and profound understanding that both types (intellectual and inter-subjective human understanding) are required. Intellectual understanding is achieved by intelligibility and explanation while human understanding is achieved by connection between different subjects. Morin recognises egocentricity, ethnocentrism and sociocentrism as obstacles for all types of understanding. To overcome these obstacles he advocates the adoption of “the ethics of understanding” within education: “*It is not only the economic, juristic and social ways that facilitate the path to understanding; it is also necessary to use the intellectual and ethical ways which can develop the double intellectual and human understanding*” (Morin 2001). According to Morin the ethics of understanding allow one to understand the other by becoming aware of complexity and human diversity. In this sense, the opening-up to the other, as well as tolerance, leads to the accepting of life-styles, values and different cultures of groups to which we do not belong.

Preceding a discussion of the link between education and the understanding of human diversity, we consider the final supplementary principle to the discussion based on an education directed at the development of the social economy. The concept of a polycentric society is based on this understanding and accepting of differences. According to the Brazilian sociologist Alberto Guerreiro Ramos (1981), today’s society can be seen as a society centred around the market, the market in this case considered as the principal dimension for the organisation of social affairs. In opposition to this view, Guerreiro Ramos proposes the conception of a society made up of a variety of enclaves, one of which being the market. In each enclave one develops clearly different types of activities, demonstrating various life-styles, values and collective actions. The explanation for such a conception is that “*man has different needs which demand numerous types of social settings in order to be satisfied [...] these different social settings require different enclaves, on the whole the social fabric*” (Guerreiro Ramos, 1981). In each particular enclave the notions of time, space, work, leisure, among others, have a significance which has its own system of values.

Such a conception of society does not accept the idea that the sphere of the market is the most important and, consequently, its’ economic activities have to dominate those which are carried out in the other enclaves of society. This conception is also dependant on a real deep profound understanding because it demonstrates the acceptance of differences by tolerance of life-styles, values, and diversity of human choice. In its’ political dimension, the conception of a polycentric society corresponds to a high degree of democracy in the order of society; in its’ economic dimension it

corresponds to what we today call the plural economy. The idea of a plural economy legitimates several forms of economic activity and decentralises the free market by attributing an equally important status to other methods of production and distribution of wealth outside of the free market. Among these methods is the social economy which undertakes collective actions, whereby the people of the society are the priority.

It is exactly for this reason that we propose discussing the conception of a polycentric society as a basis for education which looks to develop the social economy. Furthermore, by comparison with the four previously mentioned axes, the vision of education as a form of intervention in the world, the teaching of democracy and the ethics of understanding, are all elements that together play a crucial role for the consolidation of the social economy. We believe that the adoption of these bases would lead to an impact on the in-house vocational training of members of the social economy organisations. In the following section we will comment on the subject of in-house vocational training based on our propositions.

## **IN-HOUSE VOCATIONAL TRAINING**

Collective action in the domain of the social economy faces new challenges which insist on continuous improvement of in-house vocational training programs. Following the bases discussed above we will list five aspects crucial for the development of the social economy. This is done by taking into account the new demands which have been met in the majority of countries. From the point of view of organisational parties, in-house vocational training is becoming strategic in order to assure the wanted development.

### Understanding of social changes and belief in a plural economy

The ability to analyse transformations taking place within the economy, politics and social interactions is necessary for all individuals participating in productive organisations. The unrest which characterises the environment of these organisations demands a perception of the variables which affect its' sphere of activity. The identification of these variables, their connections, and their changes is easy to accomplish as we are faced with a society whose tendency is to increase its' complexity. The double understanding, intellectual and human, is required to grasp the context and therefore apply the appropriate action.

On one hand fordism has brought about thirty years of continuous economic growth, but is on the other hand making up for thirty years of decline. Despite the pernicious effects of the crisis of fordism, one can paradoxically identify a consequence which isn't necessarily negative: the visualisation of alternatives to a free market.

As we have seen above, the conception of a polycentric society is strengthened by the putting into question of the idea of the market being a dominant economic sphere which strengthens with crisis. A polycentric society presupposes a plural economy as well as a cultural renewal. A hopeful reflection on the occurring social change allows one to see the possibility of a plural economy in society.

We see this possibility however, as a sort of construction: a collective, gradual, wished for, and solid construction – a process. The construction of a polycentric society including a plural economy is the focus of the determination of the parties involved in this ideal. On account of the significances which fill the social imagination being essential to the starting and maintenance of collective action, the belief in the viability of a plural economy has a fundamental importance in its' materialisation. In fact, such a belief represents the driving force of the development of the social economy's organisations on the whole.

The in-house vocational training of individuals who give themselves as a target of improvement, or even want to create and develop the social economy's organisations, have to contribute to the analysis of social change as well as encourage the belief in a plural economy. If we are in agreement with Paulo Freire's notion - education as a form of intervention in the world - we can therefore add that in-house vocational training also aids the development of practical instruments, strategies and methods of construction of a plural economy.

#### Articulation of the three principles of the economy: exchange, distribution and reciprocity

The collective action that takes place within the organisations of the social economy puts the three fundamental principles of economic activity into perspective: exchange, distribution and reciprocity. While exchange is the overriding dominant principle in the free market, in the social economy we see a type of reconstitution of the triad pointed out by Karl Polanyi (1975). According to Polanyi the economy is a process *embedded* in the social issues. In this sense we can affirm the organisations of the social economy are forms of economic action, radically different from those put into action in the free market,

The expansion of neoconservatism presupposes the absolute supremacy of the principle of exchange in economic activity. The principle of distribution is subjected to depreciation by the progressive dismantling of the welfare state as well as of the normative instruments of regulation of the economy. According to the neoconservative creed, that which represents an unprecedented compression of the public economy must be added to these measures of wide-scale programs of privatisation. To complete the neoconservative creed the principle of reciprocity has also depreciated because

almost all human needs have to be met with action based on the logic of production and consumption in a capitalist perspective. In this way, the market would be freed of all constraints, enabling it to not only become the dominant principle of economic activity but also to be the accumulating principle of society.

Consideration of the three principles of economy, placing emphasis on reciprocity and distribution, implies a new method of conceiving, teaching and using the economy. By means of in-house vocational training, a wide conception of economic science can be spread and can consequently attach sense to the practices which have developed in the organisations of the social economy. Furthermore, in-house vocational training can represent a means of realisation of education as a substantive form of intervention in the world: the attribution of sense and the scientific analysis of the practices of the parties will create favourable conditions for the intensification of these practices, thereby helping the development of the social economy.

### The forming of partnership

The aggravation of the social and economic crisis indicates that every organisation, be it a business, an association or even a state, cannot overcome the obstacles alone. Participation of partnerships seems to be a general characteristic of contemporary organisations. We notice an increasing hybridisation of the initiatives of collective action. By means of partnerships, organisations are able to strengthen themselves and therefore face the uncertainties in their circles.

Despite the advantages of partnerships there is a long and difficult path to follow before these benefits can be reaped. In reality, the forming of a good partnership does not come without facing many challenges, principally due to the fact that an organisation does not always unite with an organisation that adopts the same logic for its' policies. In most cases we see partnerships between completely different organisations that operate in different branches. These organisations are also very often different sizes and have different objectives. The clash of principles seems inevitable and requires continuous efforts of all parties concerned so that the partnership has good results.

The partnership between organisations of the social economy and those of the state, for example, can engender problems arising from a clash of rationality, from sense attributed to development and also from practices of management of the organisations involved in the partnership (Serva, 1999). We will subsequently comment on this subject.

Firstly, however, we will address the question of rationality. On one hand we see the presupposing instrumental rationality as value of the utilitarian calculation of consequences of human acts; this rationality aims to adapt means for the purpose of avoiding ethical judgment of these acts. On the other hand there is the so-called substantive rationality which is based on the values of solidarity, ethical judgement of acts, and the liberty of expression. This last rationality does not presuppose utilitarianism as a value; it maintains the idea of a quest for individual satisfaction within the context of the common good (Guerreiro Ramos 1981). The possibility of this causing a clash between rationalities is considerable. While within the organisations of the state, the instrumental rationality always seems to predominate by establishing a bureaucratic and impersonal order, there is a greater possibility of finding a balance between the two rationalities, or even supremacy of substantive reason, within the organisations of the social economy. If these suppositions were confirmed, the clash would be inevitable and would demand supplementary efforts regarding the coordination of actions in the partnership.

The difference between the two rationalities affects, more or less, all the stakes of the partnership in question. Collective action in the organisations of the social economy take economic aspects into account as well as other aspects such as solidarity, the reinforcement of identity, the structuring of the network of a social nature, and the production of sense for living and work. However, rationality which depreciates the intersubjective dimension for the purely instrumental aspects of action does not favour consideration of these symbolic and cultural categories. This can lead the organisms of the state to interpreting collective action in the social economy solely from a utilitarian viewpoint.

Concerning the sense of development, we observe that the sense can be confined to an economic dimension or, more precisely, to the expansion of the market. In this sense the republican state has played a major role in the process resulting in the autonomisation of the economic market sphere in relation to the social, political, and ethical spheres, principally during the realisation of the development projects. Despite the undeniable importance of the free market, the decision, for the sake of development, to always make it the priority during investment of public resources, leads to the depreciation of other spheres such as the social economy. Another important aspect is the establishment of criteria for the evaluation of development projects: these criteria are generally established by the state and are the basis of those used by the free market. Evaluation of the social consequences of public investment, essential to the social economy, requires the use of criteria adapted to its' nature. In this sense, the organisations of the social economy cannot be assessed in the same way as those of the free market. The state must therefore adapt the bases of partnership with the social economy. So far the difficulties linked to partnership are still considerable.

Management constitutes a particularly difficult aspect of partnership. We have seen that the clash of rationalities is a problem and we must not forget that rationality is the basis of management. As well as rationality, the notion of time can be another problem-arousing element. The development of a project which includes collective action in the sphere of the social economy presupposes a fixed duration of biological and social rhythms. These rhythms do not always correspond to those which are considered by the accounts and administrative logic of public organisms: these organisms frequently set very short periods for the production of quantifiable results.

To finish on these reflections concerning management, we would like to point out the challenges resulting from the differences in points of view of the parties involved in the partnership. Public administrators do not always have the required sensitivity in their perception of the particularities of organisations of the social economy. The training of the public administrator is reliant on thinking based on instrumental reason and a positivist conception of science. This training conditions the majority of administrators to demand an excessively bureaucratic organisational configuration. They tend to, consequently, objectivise the subject as well as diminishing its' capacity to interact with diversity, flexibility and the values of the organisations of the social economy.

Despite the necessity to rely on the partnership, its' establishment and functioning are complex processes as they lead to challenges for the parties involved and require special capacities to be able to face these challenges. In-house vocational training in the context of the social economy should devote a part of its' programs to the processing of these capacities. Among these principle capacities, negotiation, communication, the mediation of interests and the coordination of activities can be accentuated. These capacities can be developed and improved in the individuals, thereby making them professionals more apt to working within the framework of partnerships with organisations who are able to contribute the common good as well as to the reinforcement of the social economy.

### Democratisation of management

For a long time the democratisation of management has been a goal of the organisations of the social economy. It re-emerges with each new political, economical and social conjuncture. In a panorama of economic crisis, generally with great difficulties for the organisations, the leaders may give in to the temptation to centralise the making of decisions for the sake of the seriousness of the situation that the organisation finds itself. As well as difficulties of the situation, we must not forget that an authoritative nature is a characteristic of numerous individuals.

If an organisation wants to contribute to the improving of democracy, it does not suffice to ceremoniously establish an excellent declaration of principles and to participate in public actions covered by the media. In fact, democracy as a realisation of an ideal begins in the work place. It is in this internal dimension that an organisation can show that the collective action of its' members really contributes to the improvement of democracy. In this sense, the analysis of the practices of management can clarify to what degree democracy is taken seriously. Collective reflection of the organisation, decentralisation of decisions, autonomy of its' members, shared control, related evaluation of activities carried out, are all aspects indicating a real democratisation of management. We affirm all these processes can be learned. By means of in-house vocational training through discussion about the democratisation of their management, education as a means of teaching about democracy also has to reach productive organisations.

We are living today in a “society of organisations”. The organisations are, as a whole, becoming the most important social space for the construction of common good. In this context, the collective construction of an organisation of the social economy can transform this space into an *autonomous public space* (Habermas, 1990), where the individuals working there have the opportunity to learn, to practice and to realise the democratic ideal. To achieve this, it is necessary to create democratic forms of management by decentralising power. Otherwise these forms are not evident, particularly since it started, as scientific management has needed to be revealed, discussed and learned. The role of in-house vocational training is of great importance here: the training can be one of the preferred moments for the discussion and teaching of democratic forms of management. It is a case of encouraging the professionals to create spaces of autonomy and realisation within the organisations of the social economy. These organisations can thereby become examples to the whole society, examples of democracy as much as of coherence between the discourse and the practice.

### The ability to work with different logics of collective action

Until now we have differentiated the logic of policies of the social economy from that which is at the base of collective action within the free market and the state. At first glance it would seem that the logic of the policies in the social economy is unique. It does not however correspond to reality. In fact, there is a considerable diversity of logics in the sphere of the social economy. This diversity is characterised, from other elements, by the plurality of initiatives, organisational forms, and sectors of activity and parties. This plurality is one of the greatest assets of the social economy, engendering a large variety of logics of policies in accordance with the sector, the organisation etc. Although these logics have common foundations, they have a tendency as a whole to present an internal variety. This can be noticed during an

analysis of the logics of the policies of a rural cooperative and a professional association inserted into an urban environment.

Living and working in the sphere of the social economy involves working with diversity where economic and social aspects are interlaced. This produces varied organisational configurations, divers social networks and diverse ways of acting. We have already addressed the subject of partnerships with the state and with businesses. In-house vocational training is also assigned to contributing to the improvement of the required capacities for the establishment of partnerships between organisations which are made up of the social economy. In-house vocational training can explain, discuss and improve the understanding of diverse logics of policies. It can also encourage tolerance, openness to the other, and continuous negotiation which are important aptitudes for the personal and professional improvement of the parties in the social economy. Construction of a polycentric society requires the parties' capacity to completely understand the logics of collective action presented in the different groups. It is the first step towards the enumeration of a network that reinforces the social cohesion and solidarity.

## **CONCLUSION**

In the last thirty years, the decline of fordism has lead to consequences of great impact on international relations, the organisation of social life and individual behaviour. The spectrum of the crisis is large and it has already gone on for long enough, affecting social cohesion. Before now we had not seen wide-scale solutions to the accumulating problems, principally for those connected with the social issue. At the same time we have observed a true revolution in all sectors of applied science. For some, it is a case of beginning an "era of knowledge". This complex situation is marked with uncertainty; it weakens all economic activities as well as the policies of social well-being which, during fordism, have contributed to a relative stability of diverse societies.

It is in this context of immense difficulties and radical changes that the human capacity to produce alternatives, to create something new and to renew hope is put to the test. The social economy is then able to assert its ability to open up new ways of renewing policies of well-being and general interest. To do so, collective action in this domain has to simultaneously go with the flow of changes considered to be beneficial to the emancipation of man – such as the practice of continuous education – as well as beginning a responsible critique of propositions which are harmful to humanism. The critique is all the more responsible because it comes with new propositions and, above all, policies that represent examples of construction of a fairer world. The recent social changes have revealed a world where knowledge is becoming increasingly more important in the search for solutions to the great questions of our time. Education is therefore, in this respect, of major importance.

The education that will contribute to a renewal of collective action in the social economy should be started up on new bases. In this study we have tried to contribute to the discussion of these bases. We have put forward some propositions in light of the current day context as well as in the perspective of a future which is already taking shape.

To conclude, we recall that, in the end, the adoption of these propositions would presuppose reliance of learning and knowledge. The renewal of collective action already involves a conciliation of learning and knowledge, aiming at the reflection and maturity necessary for the development of the social economy. Reliance of knowledge and learning, linked with values that render emancipation of man, can transform education and in-house vocational training into mediums for the reconstruction of social life.

## **BIBLIOGRAPHY**

DELORS, JACQUES (dir.). *Educação, um tesouro à descobrir*. Lisboa, ASA/UNESCO, 1996

FREIRE, Paulo. *Pedagogia da autonomia – saberes necessários à prática educativa*. São Paulo, Paz e Terra, 1996

GUERREIRO RAMOS, Alberto. *The new science of organizations: a reconceptualization of the wealth of nations*. Toronto, University of Toronto Press, 1982.

HABERMAS, Jürgen. *Écrits politiques*. Paris, Les Éditions du Cerf, 1990.

MORIN, Edgar. *Os sete saberes necessários à educação do futuro*. São Paulo, Cortez, 2001.

POLANYI, Karl. “L’économie en tant que process institutionalise”, in Polanyi et Arensberg (dirs.) *Les systèmes économiques dans l’histoire et dans la théorie*. Paris, Larousse, 1975.

ROGERS, Carl. *Liberdade para aprender*. Belo Horizonte, Interlivros, 1978.

SERVA, Maurício. “L’État et les organisations de l’économie solidaire, un partenariat complexe”, in *Économie et Solidarités*. Volume 30, numéro 1, 1999.