TOWARDS A WORK-CENTERED SOCIAL ECONOMY: CONTRIBUTIONS FROM ECONOMIC ANTHROPOLOGY¹

I. Presentation²

Connections with the PEKEA project

The PEKEA project has something I share: the will to build a new system of hypotheses on the economy in order to frame another type of social practices.

At the same time, I want to remark a possible difference within the central hypothesis of PEKEA. I believe that we must differentiate between:

- (a) the conception (that I share) that real economies cannot be grasped from a unilateral universal discipline.³ Instead, given its complex character, the economic aspects of social life must be approached with a combination of diverse conceptual approaches, even if they do to constitute a coherent theoretical system;
- (b) the verifiable fact (Bourdieu) that certain processes have been turning into an economic sphere of reality, relatively autonomous of the processes of construction of political hegemony and social development. The incidence of its inner logic on the configuration of common sense, of the visions of the present and possible worlds (and therefore of politics), and of culture in general, is indeed worrisome. We face nothing less than a cultural struggle.

The proposal of an action-oriented research program: developing a Work-centered Sector of Social Economy in Latin America ⁴

Neoconservative policies have generated massive exclusion and, as a reaction, a multiplicity of initiatives (individualist or collective, utilitarian or centered on other values), usually conceptualized as *survival strategies*. The resulting socioeconomic array usually called "popular economy" (see below) is highly fragmented. Within it, the values of the capitalist market compete with those of solidarity.

epistemology.

¹ Paper prepared for the PEKEA Program Conference, Santiago, 10-13 September, 2002. A expanded presentation of the proposal developed by the author can be found in other publications related to his experience in Nicaragua (1981-86), Ecuador (1986-90) and Argentina (1994-). Visit: http://www.fronesis.org/jlc/jlcoraggio.htm

² Following the organizers' advice, and although criticism to neoliberalism or neoconservatism is essential, in this paper it will be just latent in order to focus on outlining some alternative ideas.

³ Moreover, that discipline (Economics) tries to govern itself by an untenable positivist

⁴ See: Coraggio, Jose-Luis, "La Economía social como vía para otro desarrollo social" www.urbared.ungs.edu.ar .

This can be the base for the *development of a sector of social economy centered around work*, including the domestic units as primary cells, as well as their extensions into cooperative or associative organizations, and their participation in both the public and the capitalist sectors. Strategically, this is oriented by the utopian principle of a society that guarantees the extended reproduction of the life for all. Institutionally, it has strong components of association, of solidarity of the working-class (in a wide sense) and of democratic control of public resources.

To be effective, the conviction that such a development is possible must be a collective construction, which is now in process. It will accelerate once common sense indicates the impossibility of social reintegration while the present regime prevails in this region. It will be of great help that we critically register, systematize and evaluate the experiences that, from society and sometimes from the state, strive to advance in this direction.⁵

Diverse projects or proposals compete/coexist to organize the field of popular economic practices. We have proposed the concept of **Economy of Work** due to its potential to conceptually frame action-oriented research as well as the design of strategies *vis a vis* the Economy of Capital as well as the Public Economy. We have also adopted the term **Economy of Solidarity** to define what we consider the most inspiring ideological current to mobilize social collective actors in the struggle to build fair socioeconomic relations in Latin America. (Razeto; Singer; Coraggio) Finally, we see **Social Economy** as an overarching concept denoting the array of socioeconomic organizations in search for an economic outcome (in ample sense: not only pecuniary) plus new social relations.⁶

The alternative proposals and their legitimacy

Economies are integrated not only by market relations but also by shared visions of the world, values, dispositions (saving or consuming, innovating or minimizing risk, in a selfish manner or to care for others, to work or for leisure, etc.) shaped by specific historical trajectories of individuals, households, communities, or societies.⁷

By the same token, economic institutions result of a confrontation of contradictory interests, their justifications and supporting theories, as well as of projects aimed at

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⁵ An attempt to identify and recover those practices can be found in www.urbared.ungs.edu.ar, a joint venture of UNGS-Argentina and UNAM-Mexico.

⁶ This concept excludes, for example, domestic units (considered private), which are included and have conceptual centrality in what we term the Economy of Work. Several documents on this subject can be found in www.fronesis.org

⁷ The experiences of systematic violent repression, war, hyperinflation, personal insecurity, prolonged unemployment, etc., condition people's economic expectations and behaviors. Also, experiences like the networks of multireciprocal barter in Argentina, that require controlled emission of local money, can be a formidable base to understand State and capital handling of money, one of the main sources of alienation. (See debate and references in www.urbared.ungs.edu.ar)

society as a whole. In a well-established capitalist system, this historical process would end up incorporating as a second nature the economic institutions as well as the dispositions required by capital accumulation. Striving for another societal project requires that its foundations be rooted in the realms of social life that have not been totally colonized by the system. One such realms is the **domestic economy** (today conflated due to the socioeconomic crisis), which will be a firm base for the proposal that will be outlined below.

In a democratic system, imperfect as it might be, leaning on already existing dispositions and legitimizing (obtaining acceptance by conviction) the projects of change is a condition for their effectiveness. But the legitimacy of a social project is rarely based on its content of truth. In Latin America, a strong pragmatism predominates among popular sectors. To our advantage, conservative politicians and intellectuals have openly broken with the liberal promise -according to which most people should experiment material improvement throughout their lives. Such promise constituted a political basis for the exercise of social rights. Now Neoliberalism denies the culture of human rights that is at the heart of modernity, and sees its effects as distortions of the market (Hinkelammert).

Any proposal of transformation towards more egalitarian economic structures - regarding the distribution of productive functions as well as of their results- and more respectful of the person and his/her rights for self-determination, must facilitate the emergence of new moral values, but also and simultaneously must improve the quality of life of the many (roughly half of the population) who currently hardly satisfy essential survival needs. The conjunction of these two considerations implies accumulating new effective experiences (paraphrasing Bourdieu: generating another second nature by means of a series of successful practices of non-capitalist economy). It also implies learning by documenting and reflecting while making a new history of socioeconomic experiences.

In order to contribute to cultural change, these practices must be properly conceptualized and systematized, as a contribution to the political project of the social agents willing to defy capitalism. For that task, diverse schemes of interpretation and concepts linked to the field of economic anthropology may be suitable.

II. RETHINKING THE ECONOMY: CONTRIBUTIONS FROM ECONOMIC ANTHROPOLOGY

1. An economy is the system of practices that a society organizes to solve the needs of its members. In fact, what we usually call "economic", in its practical application is also social, political, moral and cultural. Such system includes the social construction of needs (they are not "natural" or pre-social) and the ways to solve them. The values and institutions that are often presented separately as culture (family, communities, nations, ethnic groups, identities, tastes, values, etc.) are embedded within "the economy" and can be separated only by analytical artifices. Nevertheless, we cannot ignore that there are tendencies to the autonomy

of a capital economic sphere, which in fact means the omnipresence of the capitalist market and its values and criteria in all spheres of life.(Bourdieu)

- 2. Socioeconomic institutions and practices generate and incarnate in their agents values, visions of the world, dispositions, and expectations. Individualistic utilitarian behaviors predominate in Western modern societies, and have been exacerbated by the development of Capitalism. The current crisis of reproduction in Argentina is a case that clearly shows this: it generates reactive behaviors with components of violence, wild competition, identification with leaders (viewed as savers), conservatism, etc. But at the same time we find new forms (or the reappearance of old forms) of solidarity and mutuality, a democratic criticism of "real democracy", a drive for greater autonomy through local assemblies and innovations -the barter networks involve millions of people- to solve the daily problems of survival. Also, the retraction of salaried work as the main institution for social integration, reorganizes identities and needs, and generates diverse expressions of an economic moral of the masses (Scott, Thompson, Rude). For example, the claim for:
 - the right to land and/or housing and the legitimacy of invading vacant land or buildings;
 - the right to access social basic services at "social rates" or to connect illegally (water, electricity);
 - the resistance to price increases of certain basic goods and services, like flour, bread, rice, gas, education, medicines or transport;
 - the thrive for accountability of financial and other monopoly agents, rejecting attempts to naturalize the crisis;
 - the resistance to evacuations or the execution of mortgages;
 - the resistance to pay taxes that would result in a confiscation of essential means for life, only to pay public debts which are considered illegitimate, or to feed the corruption of the political agents;
 - the removal of judges and political representatives that have legalized the denial of basic social rights in favor of monopoly property rights;

Therefore, there are other values and other meanings –collective utilitarian or solidarian- for social action, that have not been totally subordinated to the capitalist order, which arise with the crisis.

3. In any case, values are not universal. They are historically (culturally) determined, and this gives them objective support. They can also result from explicit manipulation or awareness strategies. Or they can be based on self-deception: Euro centrism and patriarcalism are examples of the pretension to universalize local institutions. Clientelism is another example, based on the notion that there is a reciprocal relation when in fact there is unilateral dominance. The indigenous cultures of the American continent, the vision of the economy professed by Gandhi, and many other world visions, make us realize that even the structural relation between history, culture and economy may not be universal.

- **4.** Moreover, some of the old good values or some of the new ones that emerge today in situations like the one facing Argentina may be diluted unless new, effective socioeconomic forms incarnate them. But they must be concrete, and rooted in local culture. The meanings of land or housing ownership, or of private property in general cannot be considered universal. To deny cultural roots can abort the best projects of change (as it almost happened in the first period of the Sandinista Revolution, when the revolutionary leadership did not understand the meaning that the family property and the inheritance of land had for farmers). (Coraggio)
- **5.** We must go beyond mechanical solidarity (Durkheim), as is the case of movements that defend particular rights (e.g. savers whose deposits were confiscated, the unemployed, the homeless, etc). What is required is the organization of economic forms based on other social relations of production and reproduction, conforming an organic system, where instrumental rationality (that cannot be avoided) is subordinated to substantive rationality (Weber, Hinkelammert), where the intergenerational guarantee of better quality of life for all predominates over private capital accumulation.
- **6.** If politics is not a sphere separable from other human activities, but an inherent aspect to all social activity (Foucault), it cannot be grasped by interactions between Political Science and Economics. The political and power dimensions must be found within the concrete practices of production, in the markets, within private or collective reproduction structures, in the interpersonal relations within organizations, and in the institutions that we tend to see like "economic". In addition, the anthropological perspective forces us to distinguish between *power* and *authority* and this also has to do with the distribution of knowledge. (Sahlins, Meillasoux)
- **7.** In a modern society that thrives with a technological paradigm based on knowledge and information, the system of production, appropriation, circulation and use of knowledge and information becomes central. The symbolic components of production and reproduction have increasing weight. The freedom of capital to commoditify knowledge and information⁸ (and education) can have consequences as serious as the commodityfication of work and land. Social organizations and the state should ensure a more egalitarian participation in the appropriation but also in the production of symbolic goods.
- **8.** To be truly productive, alternative analysis requires to be related with the practice of transforming social reality. It is necessary to actually face complex practical problems with an action-oriented research perspective. If this is well done, it will truly overcome disciplinary corporativism. This implies a meaningful

⁸ In fact, capital has started up a process of primitive accumulation, collecting and patenting like private property (under the protection of Supreme Court of the United States) genetic information and ancestral knowledge that used to be public goods.

encounter between codified and tacit knowledge and a dialogical, active entailment with real forces and collective actors. In fact, the actors of the future are not preexisting and waiting for new ready-to-use ideas to orient their action. The new practices will constitute the actors and transform ideas in the same process of historical movement.

- **9.** New practices will have to emerge within a contradictory cultural matrix that has been internalized by the values of the capitalist market, through the processes of socialization at home, at schools, through social communication networks and, most of all, through participating in a market economy. Now those values are invading the sphere of symbolic production and the political system. This is acknowledged as the principle of the *total* market, according to which *all* human activities would be better performed if organized like a market where the free initiatives of egoistic actors compete.
- **10.** This has already been deconstructed theoretically. The problem is to actually prove that there are other superior forms of organization of human activities; to show that there is another concept of social efficiency, that cooperation and community do not mean renouncing to identities and individual liberties but to extend the space of freedom while improving the conditions of life for all (as the *mingas* show in the Andean cultures). The competition does not have to disappear, but it has a different meaning in a system that regulates the possibility of reproducing the life for all (neither the bargaining in the markets nor the cooperative competition can be compared to the individualistic utilitarianism that Capitalism advocates).
- 11. The new economic forms require another combination and a more horizontal cross-fertilization of scientific and practical knowledge (Nonaka). They require that the socioeconomic alternative organizations not only reproduce organic life but social life, and that they do it by learning from their own and others' practices. Knowledge, incarnated in the thinking and doing of workers and not in automated programs and systems, constitutes a fundamental resource for this economy. Institutions like loan and saving cooperatives, or family enterprising, that Capitalism sees as flawed firms, are actually part of the basis for new economic forms.
- 12. The search or construction of alternatives for the economy requires certain convictions and expectations on the future. Historians can illuminate the present with their long-term perspective. Wallerstein does it when he analyzes this as the time of final transition from the capitalist world-system towards a still uncertain future. Also those who help reconstruct the history of workers associations to cope with the social effects of the industrial revolution, at the beginning of the XIX century. But when we put together these two perspectives we should wonder whether cooperation (Singer), reciprocity in their various forms and levels of mutual aid (Polanyi, Sahlins), the creation of local monies and at the same time of networks of international solidarity, are a new turn of the same wheel of history or whether we are advancing in spiral, and the new is much more that the rebirth of old traditions. In that sense, uncertainty marks the survival behaviors of individuals,

communities and nations. The search for new meanings as well as the rupture with pragmatism is essential. This requires new utopias.

- **13.** The conception of the relationship between individuals, communities, society and the state, frames the searches of new collective arrangements to manage the system of needs. The idea that the individual must free him/herself from the community to constitute citizenship, as the basis of modern society, and that intermediate associations are an obstacle, have already been surpassed. But we witness the resurgence of the paradigm according to which civil society could self-manage its needs and conflicts with no need for market mechanisms or of a state.
- **14.** Indeed, we need a state, but a truly democratic one. That is precisely the reason why we need to gain autonomy for citizens organized in a network of free communities -new or old- able to produce a significant part of the material and symbolic conditions of their own reproduction. This will make possible the emergency of a new common sense and values that must be introduced into the structures of the state (participatory budgeting, inversion of priorities, participatory and self-management, possible removal of representatives, etc.).
- **15.** In a deeper dimension, the question is how a society establishes the fundamental balances between society and nature, productive and unproductive individuals (Meillasoux) and, in general, between immediate survival and the permanence and reproduction of society as a totality. (Parry and Bloch) The neoliberal fixation with the balances between variables of its macroeconomic models shows its true meaning when we realize their implication: the denial of those other balances, the ones required by an economic system oriented by the effective resolution of the needs of all.
- **16.** The domestic economy is a good basis to start thinking about another economy. We have become used to see the firm as the omnipresent form of economic activity, and maximum profit as the only economic motivation. Nevertheless, the familiar domestic unit and its more complex associative forms e.g. cooperatives of consumption, networks of self-help, local associations of self management of the habitat, systems of solidarity loans, barter networks, etc. oriented by the extended reproduction of life and not by accumulation, constitute the departure point of a new organization of the economy.
- **17.** Today the domestic economy can incorporate knowledge and production means to design products and to exchange highly sophisticated goods and services, and at the same time ask fundamental questions such as which are fair prices. It has shown abilities to develop international strategies, as demonstrated by the commercial flows in border international regions, by the emigration processes and the remittance of income that in some cases contribute to explain the subsistence of whole countries (like in the case of Ecuador). The learning communities (Torres), one of the foundations of the endogenous dynamism of a work-centered economy, widen their experience by facing new economic problems and by looking for another quality of the relations and not merely growth. The

world becomes wider for the subjects, as relations and processes that were taken for granted (i.e. outside the possibility of social construction) are thematized. (Habermas)

- **18.** Transformation at a societal scale requires more than observers. It requires promoters, activists who share a vision of what is possible. Thus, theoretical work must contribute not only to predict that reality locks up the possibilities of another development, but also to define a concrete program to translate such prediction into reality (Gramsci). Today we have the technological capacities to generate social, political and economic effects by means of de-localized global actions combined with local action. The fair commerce networks, the anti-globalization movements, the flourishing learning networks, and new forms of social aggregation and collective expression show it.⁹
- **19.** The real market, absolutized and subordinated to the logic of capital, is not the only possible market. Markets are social constructions (Polanyi, Bianchi), and it is thus possible to organize other markets, acting from society and from a democratic state. Markets are systems of relations that, although contradictory, are essential for obtaining the necessary synergy and scale for the emergence of strong anticapitalist forces. Capitalism produces a market system that is often dualistic. This same possibility can be used for resistance: segmenting markets by means of cultural barriers ("buy local and generate work in your neighborhood", "buy organic products, ethnic products, products of cooperatives", etc). This means that we cannot propose to replace the market by self-sufficient local communities. That is, of course, a possible and voluntary option, but it has no legitimacy, at least in Western societies.
- 20. In order to develop a system of work-centered social economy it is necessary to differentiate (in order to rearticulate them) the work that produces use values from the forms of wage-earning or autonomous work that produces commodities. Thus, being the economy not only a relation between things and people but also a network of meanings, it is necessary to make the critic of the notion of work that Capitalism has tried to universalize (for example: being a student, participating in public assemblies, or doing domestic chores, are not considered work). Advocating the possibility of voluntarily constructing another economy through cooperation among a multiplicity of associative forms implies that neither material production nor accumulation have to be separated from social reproduction. Neither should social relations of production be separated from productive forces (including not only the technological objects but the knowledge and the information incorporated in devices and systems). This contradicts the tendencies generated by capital. The economy of work can coexist in a social formation with the economy of capital, disputing the sense of public economy and public policies. Nevertheless, they would finally tend to antagonize or transmute.

⁹ A remarkable example is the Latin American Statement for Education for All, generated and conducted through the Internet. The network of over 3,000 participants constitutes a powerful instrument for information and collective action. See: www.fronesis.org/prolat.htm

- 21. In relation to this, there are differences within a pluralist field of ideas. On the one hand, (European-like) organizations of the social economy (Defourny) accepting the need to pass the test of the capitalist market, face the risk of being subsumed by the working organization of labor in capitalist companies (internalization of the criteria of rationality derived from capital accumulation). Those organizations can only be maintained by extending their scope, generating new solidarity markets, incorporating new activities and exerting the political will to pose other values to citizen-consumers or users. On the other hand, the (Latin American-like) forms of solidarian economic organizations, focused on reproducing other values and relations instead of on efficiency, claim to be subsidized by voluntary work or donations, in order to be able to compensate the lack of competitiveness when they face capital in the markets. Here a strategy (rarely sustainable) is to look for market niches where capital does not find it profitable to invest. Both forms must find a place within the economy of work.
- **22.** As to the capitalist organizations, they can correct some of their undesirable social effects as a result of social pressures -by workers' organizations, by movements in defense of human rights, by the environmentalist movements striving to prevent the expoliation of the ecosystem, etc.- mediated or not by the State. But there is no chance that those external limits manage to subvert from within the firms that drive capital accumulation. Proposals of "firms with a human face", or "socially responsible private enterprise", have had little success, because Capitalism is a system that punishes severely those who do not follow the rules of competition, which, taken to the limit, always manages to generate monopolies eager for more profit.
- 23. Utilitarianism is a strong force. We need to generate communities that follow the economic imperative of better defining and solving the needs of their members. While the theory of rational action does not include social solidarity within the variables or conditions of rationality, communitarianism or associationism imply commitment with other values (e.g. sister/brotherhood) and meanings (e.g. justice). This makes it possible to coordinate action with collective objectives (Habermas, Etzioni). Nevertheless (at least in societies that have completed the transition to capitalist modernity), associations must be associations of free individuals, although they can resurge from the cultural matrix of ethnic, class, vicinity, and other historical bonds. Nevertheless, the systemic proposal is to institutionalize the enhanced intergenerational reproduction of life <u>for all</u> and not only for the members of each community of practice.

III. THE ECONOMY OF WORK: A PERSPECTIVE FOR AN ACTION-ORIENTED RESEARCH PROGRAM¹⁰

Where is the work force reproduced? What determines its supply in the market? We know the usual labor market analysis answer to these questions. But we

¹⁰ What follows was adapted from Coraggio, 1996.

propose to explore another approach to these questions, based on the understanding of the subsystem of economic relations called "popular economy", focused on work as its main resource, and to explore the logic of combining multiple forms of its realization.

Basic definitions

The direct agents of the popular economy are the individuals or domestic groups that depend for their reproduction on the uninterrupted realization of their "work fund". The popular economy includes: (a) the set of resources commanded by their agents; (b) their activities, to produce goods and services as use values to directly satisfy their needs, or to generate an income to purchase them in the market – petty production or wage-employment; (c) the rules, values and knowledge that orient such activities; and (d) the corresponding groups, networks and relations of concurrence, regulation or cooperation, internal or external – instituted through formal organization or by the repetition of those activities.

The **simple reproduction of the domestic unit**, during a certain period of time (for example, intergenerational) means that, given a starting situation, the domestic unit dynamically maintains (according to the evolution of historically defined needs) the already reached standards of life quality. This concept admits shorter periods of reproduction with reversible degradation of its quality (whose duration, frequency and intensity will have to be established).

But there are situations which, when prolonged, make a domestic unit go through a process of structural degradation (for example, by the dynamic relations between nourishment, health, work, income, and so on) therefore not fulfilling the historically defined basic needs. In such case, the domestic unit does not even ensure the simple reproduction of its members (something pointed to --but possibly underestimated-- by the operational concepts of *poverty* and *indigence*). The concept of simple reproduction also admits a reduction of the accumulated patrimony, insofar as its effects on the security or the income of the domestic unit do not affect the quality of life of their members.

The derived concept of <u>enhanced reproduction</u> adds the development of *quality* of life conditions (and resources) of the domestic unit. The proposed concept of reproduction focuses on the economic conditioning of the quality of life (it does not contemplate, for example, the effects of political repression, family violence or other social sources of suffering not derived from modifications in the resources and economic relations). In any case, the construction of indicators according to these or other dynamic concepts of *quality of life* constitute a problem difficult to solve.

Whether this conglomerate of resources, economic activities and institutions constitutes or not a **systemic economy of work** (in fact a subsystem within the economic system) depends on the degree of interdependence attained among its components. In fact, in order for the popular economic activities to counterbalance

the economic effects of exclusion, it is necessary to combine: (a) the development of collective activities of reproduction (with a high component of will); (b) the development of mercantile interdependence (with a high component of automaticity) between domestic units; and (c) the development of its systemic capacity to compete and to favorably use its relations with capitalist companies.

The **domestic unit or domestic group** (DG) is the set of bound individuals that – out of fact or of right- share the responsibility to obtain (by means of its present work or the access to transferences or donations of goods, services or money) and distribute the necessary material conditions for the immediate reproduction of all their members. A domestic unit can include or articulate one or more households (groups that share and use in common a budget for their basic feeding, housing and other expenses), be co-residents or not, bound by kinship or not. A DG can participate in one or more contingent or permanent reciprocity networks or in public programs of social redistribution.

The **work fund** of a domestic unit is defined as the set of abilities to work that its capable members can exert in normal conditions. Its realization includes the following forms: autonomous mercantile work, wage-earning work, work to produce goods and services for self- consumption, as well as the work specifically dedicated to education and/or training and the work to participate in vindicative or other collective actions.¹¹

Mercantile micro-enterprises are collective organizations of work to produce or commercialize goods or services in the market. They can include members of the DG (family-related or not) as well as other workers contracted or associated. They can operate in the same house or in separate premises. The goal of these micro-enterprises derives from the fact that they are *ad-hoc* forms that the DG assumes in order to obtain, through the market, means required for its enhanced reproduction. Thus, neither the relationships nor the behavior of its members can be interpreted or evaluated using the Weberian ideal-type of a firm. In order to be understood and evaluated, it must be considered as a case of the logic of realization of the work fund of the DU as a whole, as well as its participation in other collective initiatives aimed at meeting their needs directly or indirectly.

All the activities aimed at ensuring the material conditions to meet the DU needs can be considered economic activities, even if they are not directly productive (domestic work is clearly productive of use values). For example, the development of abilities to work through studying, the participation in networks of consumers to buy more for less or to defend the quality and price of public services, the struggle to get the capitalists to fulfill the lawful obligations attached to their labor contracts, the occupation and protection of vacant land for the settlement of housing or the

¹¹ This concept of *popular economy* differs from the current use of the term as equivalent to the *informal sector*.

production of food, the disposal and recycling of garbage, are activities that have economic effects and therefore must be considered economic in a wide sense.

We understand that domestic solidarity does not imply equality, nor even equity, but accepted rules of distribution and reciprocity of some type. As in the case that receiving morally forces to pay back in some way either to the person that gave or to someone in the group to which givers and receivers belong. An example of a distribution rule is: "each one gives according to its capacity, each one receives according to its needs". In case of shortage, priority is assigned to the needs of certain members (the youngest first, for example).

Although money may be involved in the exchanges derived from domestic solidarity, these are not impersonal transactions, governed by the type of contracts and rules that characterize market relations. The terms of the domestic relations are not imposed so much by subject-less mechanisms like those in the market, but mainly by moral guidelines of behavior, historical and culturally determined. The popular agents of the market economy still can maintain —even in the context of a transition where personal interest and success seem to become, more than ever, the predominant values- moral ideas proper of the domestic economy, like the concept of disloyal competition, fair price, usury, abuse of authority, state of necessity, responsibility (such as parents towards the children, neighbors to each other, producer towards consumer, boss in relation to his workers, government regarding the economic situation of citizens, etc.). This is a very important dimension of the popular economy, because the attainable quality of life depends not only on the capacities and material resources but also on the perception of what is legal, legitimate, fair, or of what is possible and impossible.

We postulate that each domestic group orients its economic practices to obtain the reproduction of its members in the best conditions within its reach. Given the subjectivity of these questions and the interaction between desires and the perception of what is attainable, deciding empirically on something so profound (and manipulated) like the motivations with respect to the levels of well being, implies research with sophisticated theoretical and empirical tools. The very concepts of "better" or "best" have cultural and also idiosyncratic determinants. However, we will assume that, for all practical effects, the situations of satiety are exceptional and reserved for the elites, and that the desire to improve from the present situation is valid for any level reached by any DG of the popular economy. The limits that each DG or its extensions experiments to attain that objective at every moment will be given mainly by:

- I. the amount, mix and quality of the capacities and accumulated resources, including the knowledge and the understanding of the own situation and that of the others, and its causes; the possible options; the technology available, etc.;
- II. the objective possibilities to realize their capacities and potential resources, as well as the perception of the possibilities available to the members of the DG:

- III. the social value attributed to these capacities and resources, especially their relative prices;
- IV. the resources and policies of the community and state systems of appropriation/distribution of means of production and life;
- V. the competition they face in the markets and the systems of distribution; and
- VI. the prevailing legal or moral norms that establish what actions are legal and/or correct.

The popular economy must be examined in its multiple levels and relations:

- the internal organization of domestic work;
- the exchanges of economic aid between households;
- the cooperative associations between households for the self-satisfaction of shared needs;
- the participation in the management of the immediate habitat of life;
- the organization of cooperative forms or other associative forms of production of goods and services and their relations of interchange with the enterprise economy and the public economy;
- the participation of the diverse segments of DG in the fiscal system;
- the participation in the systems of public services (health, education, security, sanitation, justice, etc.), as means of life and as inputs for production;
- the participation in the generation, appropriation, conjunction and channeling of resources into the markets of goods and services, work, and credit;
- the peculiarities of the markets in which they participate (segmentation, power relations, etc.) and their competitiveness with respect to the capitalist enterprise sector.

Ideally, its study should cover not only the quantitative relations between economic variables but also the meaning of ideas, visions and institutions associated to the popular economy and its agents. Moreover, the interpretation of the data yield by research should be made in the context of the institutions and projects that constitute the social life of the majorities, even though these were not the immediate objects of research.

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