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HOW ARE SOCIAL AND SOLIDARITY ECONOMY LAWS CREATED IN LATIN AMERICA? A CASE STUDY OF BRAZIL

COMO SÃO CRIADAS AS LEIS DE ECONOMIA SOCIAL E SOLIDÁRIA NA AMÉRICA LATINA? UM ESTUDO DE CASO DO BRASIL

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RESUMO

Promovendo a equidade, a Economia Social e Solidária (ESS) apresenta-se como uma alternativa ao modelo tradicional. Isso envolve a formalização e a integração desses conceitos e padrões nas operações das empresas e da sociedade. A ESS passou por uma notável transformação histórica na América Latina desde a década de 1920; essa transformação é essencial para a inclusão socioeconômica e demonstra uma persistência surpreendente mesmo em condições adversas, como as ditaduras. Desde a década de 1990, o Brasil tem institucionalizado de forma notável o ímpeto da ESS. Esse impulso resultou na criação da Secretaria Nacional de Economia Solidária (SENAES) em 2003 e na ratificação da Lei nº 15.068/2024. A Lei nº 15.068/2024, frequentemente conhecida como Lei Paul Singer, estabelece a Política Nacional de Economia Solidária (PNES) e criou o Sistema Nacional de Economia Solidária (Sinaes) para fortalecê-la, a fim de incentivar empresas autogeridas, cooperativas e de comércio justo.

Palavras-chave: Economia social, economia social e solidária, economia solidária, cooperativismo, desenvolvimento sustentável, Objetivos de Desenvolvimento Sustentável, América Latina.

ABSTRACT

Fostering fairness, the Social and Solidarity Economy (SSE) presents an alternative to the traditional model. This involves formalizing and integrating these concepts and standards into the operations of companies and society. The SSE has undergone a remarkable historical transformation in Latin America since the 1920s; this is essential for socioeconomic inclusion and shows amazing persistence even in trying conditions like dictatorships. Since the 1990s, Brazil has notably institutionalized the momentum of the SSE. This push has produced the National Secretariat for the Solidarity Economy (SENAES) in 2003 and the ratification of Law N° 15.068/2024. Law N° 15.068/2024, often known as the Paul Singer Law, establishes the National Solidarity Economy Policy (PNES) and created the National Solidarity Economy System (Sinaes) to strengthen it in order to incentivize self-managed, cooperative, and fair-trade businesses.

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INTRODUCTION

A clear social phenomenon, the Social and Solidarity Economy (SSE) has changed over time from its first nature to become an institution anchored in the socioeconomic fabric. The formalization and integration of practices, standards, behaviors, and social structures in the running of a community, company, or system mark the transformation. Based on profit maximizing and competition, the SSE stands out as a different economic model from the traditional capitalist system. The SSE gives democracy, social justice, cooperation, and solidarity the highest relevance. By means of group and self-directed activities, its primary goals are to advance social inclusion and sustainable development. Based on social equality, self-management, and cooperation, the SSE consists of a broad spectrum of economic enterprises stressing people over money. Two primary groups define it: the solidarity economy, marked by self-managed businesses pursuing broader social transformation, and the social economy, which comprises cooperatives, associations, and mutual organizations. Events notably highlighted in developing countries, where the official labor market is often insufficient to absorb the whole economically active population, the SSE evolved as a direct and essential reaction to growing labor precariousness and social marginalization. It wasn't just a mistake. The hunt for substitutes for unemployment and social isolation generated by the neoliberal paradigm places the SSE not just as a new economic choice but also as a survival and resistance strategy which official acceptance throughout time has sought and obtained. Its path and changing power largely rely on this adaptable and reactive nature.

Regarding Brazil, this study aims to investigate the institutionalization process of the SSE in Latin America, review its historical growth, analyze the consequences of the most current Law No. 15.068/2024, and address its natural challenges of application.

Characteristics of Institutionalizing

The formalizing and integrating of practices, standards, behaviors, or social structures into the running of a society, business, or system is institutionalization. Understood in psychology, political science, law, and administration as the establishment and consolidation of institutions" this idea understood as the rules and norms directing social and organizational life, is sometimes regarded as a basic process for sustaining social equilibrium. Peter L. Berger and Thomas Luckmann describe three connected phases to this process in "The Social Construction of Reality: externalizing, objectifying, and internalizing". People generate meanings and behaviors while externalizing that, when shared, assists in defining the social environment. These behaviors, acquiring stability and group approval, lead to objectification. Finally, internalization occurs when people view these criteria as inherent elements of their social reality, therefore ensuring their continuity across time.

MODELS OF INSTITUTIONALIZATION

These models provide several viewpoints of their methods and consequences and help to clarify the institutionalizing process:

- Writers such as John Commons and Thorstein Veblen, who represent this late 19th and early 20th-century classical institutionalism, underline the part institutions play in constructing politics and economy. By rejecting a simply logical view of human conduct, it emphasizes the importance of standards and institutional frameworks. Douglass North (1990) writes of institutions as "the rules of the game," defining interactions and thereby reducing transaction costs and uncertainty. This point of view stresses the need of institutions to preserve social and economic stability as well as their effect on the efficiency of resource allocation.
- Writers such as Paul DiMaggio and Walter Powell (1991) epitomize new sociologists who institutionalize not only for reasons of efficiency but also in the hunt for legitimacy inside an organizational area. Mechanisms of "isomorphism," which could be coercive (in reaction to legislative requirements), normative (product of professional influence and expert groups), or mimetic (imitation of successful models), drive this process.
- Emphasizing the importance of the historical trajectory of institutions, this approach, with leaders like Paul Pierson (2004), contests that past institutional decisions affect future ones, hence promoting "path dependence" and sustaining institutional patterns. This model underlines how difficult it is to reverse institutional changes because of their conditioning by the political and historical background.
- Combining methodological and theoretical advancements in response to the constraints of classical institutionalism,

Neo-institutionalism underlines how social actors inside institutions respond to norms, policies, and values. Social (cultural standards), economic (efficiency and transaction costs), and politically (effect on actor behavior and public policies), this point of view breaks forth.

Mechanics and Dynamics of Institutionalization

Among the numerous ways institutionalization expresses itself are legislative, cultural, bureaucratic, and social processes. Among the fundamental dynamics are:

- Institutional isomorphism: corporations propensity toward common standards resulting from outside environmental pressure.
- The social approval of an institution as legitimate and necessary determines legitimation.
- Reformulation of norms and practices could result from institutional methods not always uniform.

Though institutionalization is necessary for the organizing and structuring of social, political, and economic systems and provide stability and predictability to interactions, theoretical methods also show its capacity to promote rigidity and a lack of flexibility. Given grassroots and vibrant movements like the SSE, this quality is particularly crucial. The concept of path dependence suggests that early institutional decisions, even if imperfect, can be difficult to reverse later on, therefore affecting the long-term flexibility of the SSE. The struggle between the demand for formalization for legitimacy and the risk of losing the agility and natural nature defining the SSE determines the development of the SSE most of all.

SSE EVOLUTION HISTORICALLY IN LATIN AMERICA (1920S–PRESENT)

The Social and Solidarity Economy (SSE) has been essentially responsible for social inclusion in Latin America. A sophisticated process of institutionalization driven by historical, political, and social elements is revealed over a century of historical trajectory.

Early Achievements and State Intervention (1920s–1970s)

Inspired by the European cooperative movement and Christian social principles, the first cooperatives founded in Latin America in the 1920s considerably served to define the SSE there. Agricultural cooperativism first gained traction in Brazil, while early cooperatives and mutual credit societies targeted at urban workers developed in Argentina and Uruguay. Programs spread by unions and social groups seeking alternatives for economic concentration and labor exploitation propelled change.

State intervention in cooperatives developed as populist administrations like Vargasism in Brazil and Peronism in Argentina arose in the 1940s. This resulted in the creation of regulatory organizations, such as the National Institute of Cooperativism (INAC) in Uruguay, leading to partial institutionalization typified by considerable state dependency and limited autonomy for enterprises. In the 1960s, many cooperatives merged and expanded their operations across the sectors, including services, industry, and agriculture. As the SSE began to be recognized as both a tool for political and social organizing as well as a means of economic opposition, new kinds of association and cooperation networks developed. Especially through Liberation Theology, the impact of religious groups was evident in this period in supporting economic practices based on solidarity and the common good, hence boosting community networks and grassroots cooperativism in many areas of Latin America.

Regional cases reveal this stage: the first consumer cooperative, "La Antioqueñita de Medellín", was founded in Colombia in 1933; although first beneficial, government support in the 1950s was perceived as interventionist and patronizing. Catholic cooperativism changed similarly in central Mexico over the 20th century.

Resistance and Survival: SSE under Authoritarian Governments (1970s–1990s)

The 1970s were distinguished in several Latin American countries by military coups and dictatorial rulers. The SSE was regularly suppressed by military administrations during this period and suffered enormous challenges being close to leftist movements and political opposition. Many businesses closed and their leaders were persecuted. But with the emergence of cooperative and clandestine community organizations, especially in sectors like family farming and the unofficial market, repression also spawned forms of dissent.

Under the military dictatorship imposed on Argentina in 1976, an economic strategy favoring destruction of local manufacturing sectors was preferred, hence destroying factories and raising unemployment. Workers who began to run some of the abandoned industries together occupied many of them and formed worker cooperatives, including the well-known IMPA Cooperative. The military administration installed in Brazil in 1964 quelled unions and social movements. Inspired by Liberation Theology, solidarity economic projects developed in this context, and many of them related to the Catholic Church and the Ecclesial Base Communities (CEB). These groups promoted the growth of agricultural cooperatives, community markets, and solidarity funds, which contributed to lower poverty and social marginalization. Under Augusto Pinochet's ultraliberal economic model, which was accepted in Chile from 1973 to 1990, solidarity projects including “ollas comunes” (community kitchens) and housing cooperatives, created by underprivileged groups to ensure food and access to housing, arose. Since it set food and textile production systems to generate revenue and support their families, the coordinated women's movement was also rather significant.

Apart from giving methods of political and artistic dissent, the SSE under Latin American dictatorships served as a tool for economic survival. These movements established regions of autonomy and cooperation, therefore opposing the totalitarian logic of military administrations, and expanded community organization and formed a society based on solidarity. This highlights the projections of political and economic freedom SSE generates. Their ability to flourish or be stifled is strongly tied to the political context, so they indicate the democratic health and civic space in a given nation.

Emergence and Consolidation of New Public Policies (1990s–Present)

Driven by social movements and the building of popular economic networks, the SSE evolved once re-democratization in Latin America started in the 1980s. Mostly the Landless Workers Movement (MST) developed cooperatives and community associations in Brazil.

Since the 1990s, the SSE has been steadily institutionalized in the region in order to develop policies aimed at supporting the sector. The formation of the National Secretariat for the Solidarity Economy (SENAES) in 2003 marked a significant turning point in the evolution of policies meant for the Brazilian sector. Other countries have also advanced in this direction: Argentina passed the Social Economic Law in 2011, so formally acknowledging cooperatives and solidarity-based businesses, while Ecuador's 2008 Constitution included the SSE into the national economic model, so complementing the idea of "Buen Vivir", or good living.

These days, the SSE battles with relation to its regulation, financial viability, and market integration. Still, the development of regional networks as the Brazilian Forum for Solidarity Economy (FBES) and the Latin American Network of Social and Solidarity Economy (REAS) has improved cooperation among the many countries in the region. Furthermore, the growth of digital technologies has made new kinds of cooperative economies feasible, hence expanding opportunities for companies rooted in solidarity. The COVID-19 outbreak has also underscored the significance of the SSE in times of crises since local enterprises and responsible consumption strengthened and solidarity networks developed more relevance.

THE INSTITUTIONALIZATION OF THE SSE IN BRAZIL: AN EXTENSIVE CASE STUDY FROM THE 1930S TO THE PRESENT

Driven by social movements, state initiatives, and the need for alternatives to the conventional economic model, Brazil's Social and Solidarity Economy (SSE) has developed over decades.

Early Projects and Challenges (1930s–1980s)

Beginning in the 1930s, the institutionalization process of the SSE in Brazil started with cooperative and associative projects aiming at addressing social issues initially surfaced. During the Vargas Era (1930–1945), attempts were undertaken to establish governmental control over cooperatives, therefore involving them into the national economic development agenda. Still, in relative terms to the recognized economic model, the SSE remained a marginal approach.

Development of the SSE was delayed in the 1960s and 1970s by military regime political persecution. Still, especially in rural areas and metropolitan periphery, civil society groups persisted in advocating self-management initiatives. Founded at this time in conjunction with social movements aiming at alternatives for the exclusive capitalist paradigm, rural and urban cooperatives were established. The change to democracy near the end of the 1970s favored the reorganization of social movements, which began to seek increased funding for projects linked with solidarity economy.

Development and Consolidation (1990s–2000s)

Driven by the crises in official employment and the spread of social movements demanding other kinds of economic organization, the 1990s saw consolidation for the SSE in Brazil. During this time, Brazil witnessed the emergence of various cooperatives of former employees, hence fostering the phenomena of recovered companies. Public policies aimed at the SSE were also developed by means of collaborations among governments, colleges, and civil society groups. Among these organizations and public policy makers, the Solidarity Economy Network emerged in 1999. This was a turning point in the construction of a system designed to let the SSE in Brazil be acknowledged and controlled.

In quantitative terms, the period displayed faster rise. According to 2002 research on companies, 62% of them had been established throughout the 1990s. Making almost 1.6 million jobs, the SSE amounted for 8% of the national GDP.

The following table lists significant turning points in Brazilian SSE institutionalization:

Table 1: *Important Turning Points in Brazil's Institutionalization of SSE (1930s–Present)*[1]

Period	Significance or Effectiveness
1930s – 1940s	Emergence of cooperative and associative programs; Vargas Era: efforts at state control. SSE marginal, strong state dependency.
1960s – 1970s	Under military control, repression; continuous civil society self-management initiatives. Obstacle in SSE development but support of clandestine opposition.
Late 1970s	Change to democracy. Social movements reorganized, SSE demand growing.
1989	Formal employment crisis; rise of social movements; recovering businesses; civil society-university-government alliances; Solidarity Economy Network (1999). Period of consolidation; development of institutional framework; exponential entity growth.
2000s	2003: SENAES created; 2006: National Solidarity Economy Plan launched; laws and program execution (PNES, Sinaes, BNDES finance). Including SSE into official sector recognition and national public policies.
2024	Law Number 15.068/2024, Paul Singer Law passed. Notable legislative framework includes formalization in the Civil Code for SSE recognition and encouragement.

Source: Authors' own work

The Twenty-First Century National Policies and SENAES' Function

[1] This table highlights key historical milestones in the institutionalization of the Social and Solidarity Economy in Brazil, from early initiatives to recent legislative developments.

In the 2000s, the SSE began to be included in national public policies. Linked to the Ministry of Labour and Employment, the National Secretariat for the Solidarity Economy (SENAES) founded in 2003 marks a major turning point. Eminent economist and sociologist Paul Singer was assigned to supervise this secretariat. Suggesting projects, ideas, and activities aimed at the implementation, development, and articulation of public policies aiming at the SSE in Brazil's strengthening and consolidation is mostly the responsibility of SENAES. Its goals are to fight unemployment, informality, and labor instability. Approved in 2006, the National Solidarity Economy Plan provided guidance for the expansion and strengthening of the SSE.

Among the various legislation and efforts aimed at assisting the SSE are the National Policy on the Solidarity Economy (PNES), the National System of Fair and Solidarity Trade, and funding lines through the National Bank for Economic and Social Development (BNDES).

SENAES has led specific projects producing clear outcomes. With an eye toward socioeconomic inclusion of recyclable material collectors, the Cataforte Project helped 670 companies. Developed in collaboration with social groups including the National Movement of Recyclable Material Collectors (MNCR) and other federal authorities, this project covers identification, education, incubation, and equipment availability.

Aiming also at recyclable material collectors, the Procurator Solidarity Economy Program visited 270 companies.

To reflect geographical and sectoral growth, SENAES/MTE has also concentrated on solidarity financing programs supporting Community Development Banks (CDBs), Solidarity Funds, and Solidarity Credit Cooperatives. Created with the support of PNES and SENAES, the community development bank Banco Palmas is one noteworthy success story. Using a local social currency and providing microcredit, this bank demonstrates a paradigm change in local finance, therefore promoting internal capital flow and community development.

Aiming at alleviating extreme poverty by labor and income production in solidarity economic projects, SENAES, a model of local and sustainable territorial development, also promotes coordinated activities for municipalities and governments. This covers social community groups, incorporation into the single registry (CadÚnico), education and training, technical advisory and incubation, investments and solidarity finance, and commercialization organization.

Universities help to institutionalize the SSE by means of the Incubators of Popular Cooperative Technologies (ITCPs). Linked with colleges and departments, these incubators use the knowledge and human resources gathered in academia to educate, qualify, and advise staff members in self-managed projects, therefore supplementing university extracurricular activities.

Development of the Brazilian SSE has been based on natural links among public managers, support and promotion organizations (EAF), and solidary economic enterprises (EES). This trinity stands for a cooperative government model. Grassroots

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projects, civil society support, and state action are deliberately intertwined to imply a more integrated and maybe more strong approach to socioeconomic development than conventional top-down or basically market-driven models. This model intends to overcome the limits of single-actor approaches by mixing numerous spheres (Menezes, 2020).

Still, the SSE in Brazil still faces enormous challenges notwithstanding development. Still difficult are formalization, financial availability, and competitiveness with the established private sector. The important underlined include the lack of enough financing and tax incentives, low legal formalization of solidarity enterprises, coordination problems among numerous stakeholders in the sector, and technology challenges for the modernization of these companies.

Though the SSE in Brazil demonstrates a strong sector, most current quantitative data on it also highlight structural problems.

Table 2: *Qualitative Features of SSE Brazilian Companies*[2]

Characteristic	Information/Value	Year or Period
Registered SSE companies	20,670	2015
Employees Taking Part	1.425 million	1916
Atlas SSE Businesses	21,859	2007
Employment (At Atlas)	1.6 million	2007
% of GDP for the nation	0.8%	1907
Growth in SSE Companies	47%	2005–2008
Businesses founded in the 1990s (nonprofit)	62% of 276,000	2002
Principal Location	Rural areas	1991–2007
2007 Organizational Structure	10% cooperatives, 36.5% unofficial groupings, 52% associations	2007
2014 Organizational Structure	60% associations; 30.5% unofficial groupings; 9% cooperatives	2014
Main Reasons for Creation	38% unemployment; extra income; 36% access to financial aid	Not apparent
Not sought access to credit	75%	12 months before elections
Among those who did not apply for loans, debt phobia	35%	12 months before elections
Participation in networks	17.7%	Not stated

Source: Authors' own work

[2] This table presents a summary of key qualitative features of Social and Solidarity Economy (SSE) businesses in Brazil, including their prevalence, employment impact, organizational structure, and motivations for creation.

Quantitative data show that employment and SSE companies have developed astonishingly. While a large number of these initiatives (30.5%) remain informal, just a meager 17.7% of projects are involved in commercialization, manufacturing, or financing networks. This scenario suggests a gap between the sector's natural development and official integration or the potential for interorganizational cooperation. Even if the SSE is dynamic, its long-term sustainability is limited by the difficulties of formalizing and forming networks, therefore restricting the aggregate impact of the SSE.

Subsidies and the low rate of SSE companies looking for outside loans (77% did not, and 35% due to debt) call into doubt the long-term financial autonomy and competitiveness of the SSE in the market. This implies that even if governmental support is crucial, it may be encouraging a dependency that limits the sector's autonomous financial development, therefore impeding its consolidation even if it is necessary.

Framework and Effects of Paul Singer Law No. 15.068/2024

Also known as the Paul Singer Law, Law 15.068, of December 23, 2024, marks a legislative turning point of considerable consequence for the acceptance and growth of the solidarity economy in Brazil.

This law generates the National Solidarity Economy Policy (PNES) and the Sinaes, or system of solidarity economy. It is primary aims are:

- Support the solidarity economy by means of policies and instruments for companies operating under its values.
- By means of an integrated system that organizes operations between the several tiers of government and civil society, therefore enabling solidarity economy projects.
- Formally identify solidarity economy companies as a new kind of private law legal entity, therefore offering legal security and enabling their access to public policies and finance.

Article 2 of Law No. 15.068/2024 specifies the solidarity economy as activities connected to the organization of production, commercialization of goods and services, distribution, consumption, and credit, based on the following ideas:

- The democratic and group control of economic activity among the partners of the company is self-management.
- Policies endorsing social justice and respect of the manufacturing chain help to social justice.
- Collective development, cooperation, and solidarity, as well as common good, help to assure.

- Democratic Management: Management involves ensuring involvement in decisions.
- The outcome shows a fair distribution of riches.
- Environmental Responsibility: Friendly approaches help to protect the surroundings and respect ecosystems.
- The preservation of human dignity, the appreciation of the worth of labor, and the respect of the several cultural expressions depending on which.

Article 3 states that the National Policy on the Solidarity Economy (PNES) is the tool public authorities, working with coordinated civil society, would develop and carry out plans and measures meant for the value of the SSE. Among other things, the policies help companies with growth and consolidation, education and training, market access, solidarity finance, and network building.

Article 10 established Sinaes, which aims to promote PNES implementation. Its suggestions stress the intersectoral character of policies, the centralization of activities, the coordination between information systems, the integration of budgeting and management, and the public sector-civil society organization interaction. Among the several participants in Sinaes are public administration agencies, civil society organizations, SSE companies, cooperatives, the National Conference on the Solidarity Economy, and the National Council on the Solidarity Economy (CNES).

The following table summarizes the concepts and goals of Law No. 15.068/2024:

LAW N° 15.068/2024 APPLIED USE

Law N° 15.068/2024 constitutes a significant progress in the institutionalization of the SSE in Brazil, but its execution has created different criticisms and structural and philosophical challenges that undermine its effectiveness.

Two of the biggest criticisms to Paul Singer Law are the lack of conceptual clarity and a clear definition of what defines a solidarity company. This broad generalization could result in contradicting interpretations that compromise the implementation of reasonable public policy and promote the bureaucratization of the sector. Lack of a more thorough legislative framework makes it challenging for SSE projects requesting governmental technical support and funding access to get it. Actually, the efficacy of the Law still rests on regulation and jurisprudence, which emphasizes the need for more particular normative development to translate its concepts into tangible deeds.

Deficiencies in Taxes and Financial Incentives

Based on government subsidies, which are sometimes unattainable due to "complex bureaucratic requirements", the law is attacked for lacking sufficient tax exemptions and incentive systems, so reducing the competitiveness of solidarity businesses against other forms of economic organization. The main obstacle is the creation of specific guaranteed instruments for popular entrepreneurs, a strategic and vital need for this group that sometimes lacks conventional guarantees.

Policies Fragmentation and Worker Protection

The present legislation does not fully solve the issue of the legal security of employees running these companies. This covers formalizing labor, social security access, and other labor rights, which can discourage new members of this kind of economic entity from being included. Furthermore, plentiful are the decentralization policies of the solidarity economy. Different spheres of government could generate inconsistencies in resource allocation and the continuity of projects. Measuring the actual impact of the solidarity economy in the nation becomes a difficulty without a coherent system of monitoring and evaluation. Finally, the absence of more thorough integration between the SSE and other public economic development projects limits the access of solidarity enterprises to larger markets and the building of strategic alliances that support their growth.

The following table summarizes the key justifications and challenges for applying Law N° 15.068/2024:

Table 3 *Challenges and Criticisms of Law No. 15.068/2024 Implementation*[3]

Category of Criticism	Issue or Specialized Concern	Effects
Conceptual Ambiguity	The definition of a solidarity corporation is not very clear.	Ambiguous interpretations, bureaucratization, challenges implementing sound policies.
Financial and Tax Deficiencies	Insufficient tax incentives and funding.	Less competitiveness, reliance on subsidies, trouble getting credit because of bureaucratic policies.
Labor Legal Security	Insufficient legislation pertaining to labor rights and formalization.	Challenges to get rights and social security; discouragement for newly joined members.
Fragmented Policies	Lack of coordination among several government areas and	Variations in resource distribution, project discontinuity, difficulties in

[3] This table outlines the primary criticisms and challenges encountered in the implementation of Brazil's Law No. 15.068/2024, highlighting areas of conceptual ambiguity, financial limitations, labor security, policy fragmentation, and integration deficits

Category of Criticism	Issue or Specialized Concern	Effects
	decentralization.	impact assessment.
Lack of Integration	With other programs aiming at economic expansion.	Market access and alliances.

Authors' own work

Constant complaints regarding conceptual clarity, insufficient incentives, and bureaucratic hurdles highlight a clear disparity between the law's actual application and its aspirational goals. This raises the likelihood that, even if the Paul Singer Law marks a significant milestone, if it is not followed by robust legal restrictions and advanced financial instruments, it may only become symbolic. Under such circumstances, the SSE movement may become demoralized, and public confidence in institutional support may be eroded, therefore limiting its power to generate actual transformative change.

THE FUNCTION OF INTERNATIONAL ORGANIZATIONS WITHIN THE SSE

The Social and Solidarity Economy (SSE) is becoming more and more relevant worldwide for development agencies in advancing sustainable development and therefore lowering social inequities.

From the standpoint of the United Nations and with environmental goals as the top concern above the simple profit motive, the UN regards the SSE as a fundamental instrument for reaching the Sustainable Development Goals (SDGs). SSE companies and organizations help to satisfy basic needs, local economic development, sustainable production and consumption, and inequality reduction. Particularly underlined in the SDGs are their impact on 8 (Decent Work and Economic Growth), 1 (No Poverty), 11 (Sustainable Cities and Communities), and 10 (Reduced Inequalities). Important turning moments in this understanding are ILO Recommendation No. 193 on cooperatives (2002), the International Year of Cooperatives (2012), and the UN Inter-Agency Task Force on the SSE (UNTFSSE) founding in 2013. Thus, underlining its relevance for building sustainable, inclusive, resilient, and balanced economies, a UN resolution on the SSE is under discussion right now.

Organizations like UN, ILO, ECLAC are increasingly pledging to the SSE; this is not a straightforward endorsement but rather a major legitimizing agent. Acting as a policy multiplier, this global knowledge can significantly encourage national governments to adopt or enhance SSE policies by providing frameworks, statistics, and normative advice maybe absent at the national level. This outside validation determines both the SSE's growth and consolidation.

Investigating the link between SSE studies and their own agenda is the Regional Inclusive Social Development Agenda (ARSI) and Productive Structural Change for Equality (MEPI) of ECLAC (Economic Commission for Latin America and the Caribbean). Thus, it encourages local growth, employment, and the anti-cyclical character of economic activity, so helping the MEPI. It also investigates, inside the SSE, the evolution of the Community of Independent States Societies (BIC). Having started a cooperative service in 1920, the International Labour Organization (ILO) has been rather active in the SSE.

The ILO supports research, policy change (such as cooperative laws in Peru), and capacity training, therefore enhancing the SSE in a pluralistic economy. The ILO report on the SSE and decent work (2022) resulted in a historic decision acknowledging the sector and tripartite definition of the SSE worldwide.

Acknowledged in research on the SSE, CIRIEC (International Centre of Research and Information on the Public, Social and Cooperative Economy) is an observer member of the UNTFSSE and helps its promotion by means of publications and events. Hotbed of ancestral cooperation practices, CIRIEC notes Latin America. ICA, International Cooperative Alliance, was the first UNTFSSE observer. ECLAC is related with ACI Americas' studies on cooperativism in Latin America. According to ACI, 3 million cooperatives spread over one billion members globally.

Annually, the ILO report on decent work and SSE, OIBESCOop (Ibero-American Observatory of Employment and the Social and Cooperative Economy), is released on the situation of the SSE in the region. These groups define the development of frameworks and the encouragement of best practices in great part. This capacity determines whether numerous SSE projects, often grassroots and informal, become a unified, quantitative, politically viable field. Experiences have to relate to global goals including the SDGs thereby raising the awareness and incorporation of the SSE into sustainable development plans.

FINAL CONSIDERATIONS

Over many years, the movements towards formal legislative recognition and the institutionalization of the Social and Solidarity Economy (SSE) in Brazil have been a complicated and multifarious process.

Specifically, this paper has underlined the noteworthy achievements after Law N° 15.068/2024 approves a legislative framework for the SSE. Still, there have also been recurring structural and conceptual problems in its application: policy fragmentation, vague definitions, insufficient financial incentives, etc.

Looking ahead, the SSE in Brazil must boost collaboration networks and raise public support policies. Promoting solidarity entrepreneurship will depend mostly on the tool of technology. Less bureaucracy, more financial incentives, more legal certainty, and more conceptual clarity can help to solve the grievances regarding Law N° 15.068/2024. Moreover, expansion and consolidation of the SSE depend on increased integration of it with national general economic development policies.

Throughout this study, the SSE movement's formal and regimented institutionalization process as well as their natural and popular character have demonstrated a dynamic clash. Future success of the SSE in Brazil will depend on its ability to control this dialectic. This implies making sure institutional systems not only help but also inspire the movement's innate dynamism, adaptability, and social justice orientation. This balance calls for ongoing negotiations and adaptation between civil society and the State such that formalization improves rather than stifles the transforming potential of the SSE, hence enabling grassroots programs to keep their vibrancy and responsiveness to social needs. For Brazil, a more egalitarian and sustainable economy largely relies on the SSE. Not only a marginal strategy, but also the continual growth of public policies, sustained social mobilization, and a greater respect of the SSE as a feasible alternative to the standard capitalist model will determine the success of its reinforcement.

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