

Social cohesion at a time of crisis:

alternative initiatives and modes of resistance

SPAIN, GREECE, PORTUGAL

The economic and financial crisis that has gripped Europe since 2008 has been reinforced by crises of other kinds: crises of political representation, of public opinion, of confidence, of institutions, of participation, of the capitalist system and the mode of development; the social and political impact of this situation is playing out on a number of levels and across a range of areas. Faced with this, ecological theories, couched essentially in terms of limits, need to rethink the modes and scales of social togetherness so that we may achieve a new balance that will sustain

a different kind of "living together". In other words: what happens to social cohesion in a period of prolonged recession? How do we respond to the weakening of social bonds? To what kinds of violence may this give rise? And conversely, what kinds of resistance, renewal and creativity might this generate? If the crisis is set to worsen, it is important to grasp the opportunities it offers. This report, based on a survey carried out in Greece, Spain and Portugal between June and November 2013, attempts to address these issues.



The Greens | European Free Alliance
in the European Parliament

The impact on social cohesion: the effects of austerity

GREECE has been deep in recession for the past six years. In January 2010 the unemployment rate was 11.3%. By January 2012 it had risen to 21.8%. It reached around 27% by May 2013, and among young people aged 15 to 24 it was 50.8%. This situation of great vulnerability has had tragic effects: the suicide rate in Greece rose by 26.5% between 2010 and 2011, and among women there was a dramatically sharp rise of 104%. Another Greek phenomenon is the massive return to the family home. In 2012, 17.5% of the population lived in the family home and had no source of income. Moreover, in May 2013 one out of three Greeks no longer had access to public healthcare.

SPAIN has been in recession since the last quarter of 2011. In March 2013, the number of unemployed reached a historic high of over six million, or 27.2% of the population of working age. Young people aged from 16 to 24 were the worst affected, with a rate of 57.22%. In discouragement, they have dropped out of the working population: some have returned to their studies, others have left to work abroad, while another third, the most disadvantaged, have returned to the parental home because of their inability to support themselves. According to a report by Caritas, 3 million Spanish people (6.4% of the population), were reduced to extreme poverty in 2012. Since the beginning of the crisis, around 47,000 small firms have closed and almost 500,000 associated jobs have disappeared.

PORTUGAL has been under Troika control since 2011. The unemployment rate was then 11.4%. By 2012 it reached 16.9% of the active population. In the first quarter of 2013 it attained the record rate of 17.7%. The number of jobless rose by 16.2% in a single year. The government predicts an unemployment rate of 18.5% in 2014, and has put forward a new package of austerity measures which includes the loss of 30,000 civil service jobs. Around 2 million people are now living at or below the poverty threshold. The inevitable result has been a massive exodus: more than 121,000 Portuguese people left the country in 2012.

According to the Oxfam report published in September 2013,¹ austerity policies could plunge between 15 and 25 million people across Europe into poverty by 2025. These programmes are based on regressive and short-term fiscal policies. Policies of cutting social spending have had particularly harmful knock-on effects, such as the dismantling of social rights acquired over decades. Essential services like as education and healthcare have been squeezed or privatised, leaving the most disadvantaged yet further excluded. This imprisons the people affected by these measures in a vicious circle of poverty, giving rise to particularly violent consequences: the report cites as an example the Spanish mortgage legislation which permits Spanish banks to force 115 families from their homes every working day.

The impact on social cohesion: new threats and situations

1. The increase in violence

Over and above issues of unemployment and the increase in poverty and inequalities, we should also note the growing phenomenon of violence. In this respect the explosive emergence of the “Golden Dawn” party in Greece is highly disturbing. Although this ultranationalist political group had never gained more than 0.29% of the vote since it was set up in 1985, it won 7% of votes in the 2012 parliamentary elections and entered Parliament with 18 members. The rise of nationalist and populist movements in Europe is all the more worrying when we realise that Greece is the fore-runner of the crisis. Claiming to protect the population from external threats, these parties have seen a surge in popularity due to their explicit denunciation of the elites in contrast to the ordinary people under threat. This fact is all the more alarming when we see that nationalist, anti-European and xenophobic movements are already attracting growing support throughout Europe.

¹ OXFAM report, “A Cautionary Tale : the true cost of austerity and inequality in Europe”, September 2013, by Teresa Cavero and Krisnah Poinasamy. <http://www.oxfam.org/en/policy/cautionary-tale-austerity-inequality-europe>

2. Signs of a crisis of scale

The European Union is seen by a growing number of its members as a dysfunctional superstructure. The State is finding it difficult to ensure social homogeneity and is challenged today by social and cultural pressure from populations who increasingly deny it a governing role. Political rationality is now taking the form of social and political mobilisation which prioritise day-to-day life, enabling people to challenge the effects of various forms of exclusion. The local level has become the appropriate level at which to improve living standards and the quality of social relations, free from submission to the State. The local level has become a refuge from the hostile logic of the market and the excesses of power, of States perceived as alien forces.

The rise in protest: anger and social movements

1. The increase in popular indignation: "taking to the streets"

Major protest movements emerged in Europe between 2008 and 2011, a symptom of the social discontent of those suffering most from the crisis. Rioting broke out in Athens in December 2008, and between 2009 and 2010 a dozen general strikes and violent demonstrations took place. After October 2010 groups of citizens came together in action committees to call for a refusal to pay Greece's debt. The same phenomenon was seen in Portugal: in March 2011, a wave of protest swept through the country. This movement, known as "Geração à rasca" (precarious generation) led more than 300,000 people to march through the streets of Porto and Lisbon to protest against the precarious situation engulfing the country since 2009. Now known as the "12M (12th of March) Movement", it is the first movement of this size since the "Carnation Revolution" of April 1974. But it was the Spanish "Indignados" ("Outraged") movement that really gave some coordination to European protest. In fact, in May 2011, the "Democracia real ya!" ("Real Democracy Now!") platform called for a demonstration in the Puerta del Sol Square in Madrid, from which the "15M" (15th May) movement emerged. Right from the beginning this movement was structured and well-organised; it brought together almost 600 groups and associations, and was to unleash a major wave of protest throughout Europe, calling for true democracy and a halt to austerity policies.

2. The creation of citizens' assemblies: a support base for resistance

These movements of opposition to the crisis, which aim for democratic renewal, are organised with a view to holding both mass demonstrations to create a mobilising political and media impact, and citizen assemblies where open debate can take place. These citizens' movements have the objective of democratic renewal and are characterised by:

- > *refusal of outside control* and a denunciation of the illegitimacy of austerity measures imposed by the Troika (ECB, IMF, EU);
- > *opposition to the governing oligarchy*. The aim is to fight against the corruption and arbitrariness of political systems by creating the conditions for a more redistributive democracy and ensuring a dignified way of life for everyone;
- > *desire to take direct control of the political process*. This underlies their characteristic features: the movements are organised horizontally rather than hierarchically and operate on a "consensus of the meeting" model; an open and inclusive method allowing anyone who wishes to take part in meetings to do so, thus respecting political plurality and diversity of opinion.

This organisational model is seen as an appropriate form of transition to new democratic methods. These discussion and decision-making groups make it possible to formulate demands outside of mass demonstrations. The citizen assemblies are organised on a neighbourhood basis and open up a number of new arenas of struggle. They bring together citizens of all kinds who are affected by the crisis: skilled workers, small business owners, the unemployed, the young, and retired people. They aim to foster alternative ways of thinking and speaking and to bring about a resurgence of solidarity.

Time to be imaginative: new forms of resistance

1. Trends

The crisis is experienced every day in a tangible form in the daily lives of those affected by austerity measures. People struggle to fulfil their basic needs: to work, to eat, to preserve their health, their homes, and their dignity. Hence, in the face of the deadlock created by the excesses of finance capital that the crisis has revealed, various responses and alternatives have been organised. The desire for social

change can, of course, take an infinite variety of imagined forms, but we can point out some of the major forms. Upstream are oppositional and militant movements that seek to bring about the overthrow of a capitalism that appears to have reached its limits, with the idea of developing the conditions for *a different system* to emerge alongside the market economy, to counter it and attempt it. One of the ideals aspired to is self-management, which is prefigured downstream in what we now call the social and solidarity economy, which seeks both to reknit social cohesion and to find ways of maintaining employment through the creation of associations and cooperatives.

The social and solidarity economy: self-management and cooperativism

In countries seriously affected by the crisis an increasing number of organisations are manifesting the will to take into account social and human, as well as economic, factors, and to act as the cornerstones of a different economic system which is ecologically sustainable and with local roots, in which companies' decisions on what to produce, how they are run, and the social relations within them are taken democratically. The structures that accord with this are associative or cooperative, and they see themselves as initiators of resistance as they generate values, norms and new collective regulation. This enthusiasm for cooperativism has seen a surge since 2009; between January and March 2012, there were 223 new cooperatives set up in Spain. Self-management has thus become a strategy for survival because it suggests a different kind of relationship with work, with wealth creation and with the quality of individual relationships. These structures are also desirous of embedding themselves in the local environment and building relationships based on proximity.

Initiatives for social transition

Other original initiatives are emerging that combine political fight-back with ways of living. The centre of gravity of these collective experiences consists in regaining possession of what the current system of consumption and means of organising public space has long denied them, and thereby to forge a vital bond between forms of political association and the world in which they operate. Important mechanisms are thus being put into place, enabling people to become involved in common issues outside the system of representation by delegation. They express a desire to redefine shared values and to engage in concrete experiments that will make possible a transition towards other ways of living. Thus, everywhere in Spain, Greece and Portugal spaces are being created that enable social bonds to be recreated: self-managed

social centres, communal gardens, social dispensaries, neighbourhood markets and so on. The groups behind these initiatives see themselves as playing the role of catalyst, enabling citizens to explore and formulate their own responses. The primary aim is to create meeting spaces that allow them to participate in creative processes and to counter the feelings of isolation and impotence induced by the crisis. The goal is to wrest back control from global processes through using locally-based services and local resources. These sharing and mutual aid networks also take the form of local exchange systems and local currencies. These are truly oppositional mechanisms that enable each individual to exchange skills, services, know-how and products on the basis of a virtual unit of exchange, often based on time. Often referred to as "time-banks", these initiatives have been developed widely in Spain and in Greece, and have led to concrete development plans like the ADBDP in Spain.

2. Novel forms: some concrete examples (see the complete report for further examples)

Cooperatives and self-management: imagining work through recreating bonds

>> PROJECTO REMIX (Lisbon)

In 2009 Lisbon City Council initiated a programme entitled BIP/ZIP. Its aim was to encourage creativity, community participation and self-organisation while promoting local initiatives. The City Council thereby encouraged residents in high unemployment areas to become active in small projects. The initiatives it supports are very varied: work spaces, community markets and housing, ethical shops, regeneration of urban spaces, community laundries and shops, reclamation of outside space, furniture restoration and others. In the neighbourhood of Armador in the north-east of Lisbon, "Projecto ReMix", which has been funded since 2011, puts forward solutions for social development



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and social reintegration by restoring power and creativity to its inhabitants. It uses the residents' know-how and the skills found within the neighbourhood, such as repairs and retouching, and has at its disposal a workshop among the ranks of apartment blocks. There they transform everyday objects that are broken or thrown away, following eco-design and eco-service principles.

Multi-use social centres

>> CAN BATLLO (Barcelona)



This former textile factory in the Sants district, abandoned for 35 years, was regenerated by the local inhabitants in June 2011. The centre, which is self-managed, has a community library and a range of creative workshops, for painting, sculpture and audio-visual activities, as well as skills workshops for e.g. mechanics and carpentry. The machines and tools were contributed freely by the local population to enable those who so wish to restore or create the objects they need. The aim of this self-managed social centre is to enable the inhabitants to meet in an atmosphere of solidarity, freedom of use and enjoyment in order to share their time and knowledge. They have created a communal vegetable garden and set up partnerships with a network of organic seed producers. Twenty or so people work there, and the produce is shared among them. The Can Batlló platform, which brings together around 300 people, and is neither a political or a trade union body, is planning a large number of further projects, including a park, a school, additional vegetable gardens and a social housing cooperative.

Time banks and local currencies.

>> MAGNISIA TEM NETWORK (Volos)

In Greece in 2009 an alternative currency, the TEM, was created. It enables goods and services to be exchanged. Numerous exchanges take place every Saturday in a conventional-seeming covered market which has, however, banned the use of the Euro. Every item or service is inventoried and priced in TEMs (1 euro is equivalent to 1 TEM). Each new member of the network has an account number and is awarded an initial 300 TEMs. The account is credited or debited according to the transactions carried out, using an open-source programme. The association has a website featuring a complete list of professionals – doctors, teachers, electricians – and services – opticians, car repair workshops, bakers, butchers – in the neighbourhoods that subscribe to the network and accept payment in TEM during normal working hours. Today around 1,000 people participate in this alternative economic system, and their number continues to grow.



Political recommendations

Following this study, some clear recommendations for addressing both the effects of the crisis and its cause have emerged. Of course, the scope and complexity of a phenomenon whose outcome is still unclear renders any exhaustive list impossible. However, certain existing measures already championed by the Greens/European Free Alliance seem particularly pertinent: they need to be debated and revaluated in the light of the precarious situation in which many European countries find themselves. They are a good starting point for the vision of a sustainable future where the quality of social cohesion and the exercise of democracy are respected. The recommendations put forward here are grouped into four themes, spanning actions and ideas from

the micro to the macro level. The first deals with measures that may improve the daily lives of populations affected by the crisis, while the following two concern measures that might allow the emergence of a new, more sustainable and local, economy. The last relates to fundamental measures that might enable us to reverse the tendencies that have proved so destructive of democracy and social cohesion.

1. Basic needs

The lower social classes and members of the precariat have been particularly affected by food inequality. Housing, an equally basic need, is also a major factor in precariousness and debt. Finally, access to healthcare, a feature of the European social tradition, should remain a fundamental right, although many poor people can no longer access it.

Fighting hunger and waste

- > Relocate production sites closer to places of consumption.
- > Encourage local groups to preserve spaces for local food production.
- > Help set up organic food outlets and shorten food chains.
- > Support local farm movements, community kitchens and gardens, etc.
- > Combat food wastage (particularly in the hospitality industry) and organise collections of unused foodstuffs.
- > Support the food banks which are attempting to remedy deficiencies in public policies, ensuring particularly that agricultural surpluses go to them instead of being destroyed.

Housing: a right for everyone

- > Ensure that the law on requisition of property is applied systematically.
- > Introduce a European-wide tax on empty housing and offices.
- > Ban evictions without rehousing.
- > Strengthen and apply a right to housing enforceable at European level.
- > Encourage participatory building projects, particularly housing cooperatives.
- > Abolish property speculation.
- > Control and monitor rents of privately rented accommodation.

- > Prevent over-indebtedness and availability of easy credit by limiting the length of mortgage loans and strengthening rules on prudent banking management.

Access to healthcare: an essential public service

- > Ensure equality of access to healthcare by increasing the amount of costs covered by health insurance and by abolishing thresholds.
- > Fill gaps in inadequate regional healthcare provision.
- > Strengthen public healthcare by maintaining adequate levels of medical staffing in hospitals.
- > Lift prohibitions on alternative healthcare services, such as community clinics, and make it easier for them to access funding.

2. Working conditions and guaranteed income

No ecological advance is possible in a society riven by increasing inequalities and with enormous disparities in wealth. Also, the social system is built around work, whereas this is becoming scarce.

Working conditions

- > Relaunch negotiations on reducing working hours to 32 or even 28 hours a week.
- > Institute a four-day working week.
- > Enable genuine democracy in the workplace by restoring employees' power to act.
- > Prohibit redundancies attributed to market conditions and dismissals in anticipation of loss of competitiveness.

Guaranteed income

- > Fix a ceiling on very high salaries and drastically increase the rate of taxation over an agreed threshold (30 times the minimum wage, as proposed by EELV-France).
- > Increase the minimum wage and the lowest salaries.
- > Introduce a universal minimum guaranteed income throughout Europe that is unconditional, individual and payable in conjunction with other income, at a level sufficient to ensure a decent existence.

3. A different kind of economy

The ever-increasing production of standardised products available on all world markets at the same time creates inequalities. Reverse this trend in order to promote a circular, locally-based economy that avoids waste, limits energy consumption and carbon emissions, cuts down on exploitation of resources and ensures a good quality of working life. These are the principles that SSE structures represent, promoting sharing and the creation of new social relationships of cooperation and encouraging activities of greater social and ecological value.

The challenge of consuming less: recycle, reuse

- > Oppose the perverse system of built-in product obsolescence and expensive waste-treatment systems.
- > Support the creation and economic viability of recycling/resource networks.
- > Encourage jobs based on repair, reuse and recycling.
- > Promote an economy based on functionality.

Promote a return to the local

- > Encourage links between economic production and regional/local resources.
- > Support regional specialisation, intermediate business networks and job creation hubs to encourage short supply chains.
- > Encourage local businesses and production by awarding bonuses to those whose activities promote ecological transition.
- > Develop small and medium business and craft enterprises that provide regional jobs.
- > Encourage the development of alternative collaborative economic arrangements such as joint purchasing associations, participative financing, and barter and exchange networks.
- > Support non-market systems of exchange of goods and services between individuals like local exchange systems, time banks, and 'accorderies' on the Canadian model that provide mutual assistance.
- > Promote the development of local, social or complementary currencies.

Encourage the social and solidarity economy (SSE)

- > Aid the setting up and takeover of solidarity enterprises through the regional sovereign funds dedicated to SSE projects.
- > Support the self-management systems associated with the SSE.
- > Facilitate the development of cooperative and participative societies.
- > Develop specific tax incentives for organisations which respect the principles of deliberative democracy, profit-sharing with employees, and limits on executive salaries.
- > Introduce a European right of pre-emption over fallow ground and unused industrial premises.

4. Breaking the boundaries

Contemporary economies need to be freed from the over-reliance on finance that has had such deleterious effects by placing the real economy at the service of people. New regulations and limits on the operations of banks and financial markets are a priority. Also, imposing severe limits on the deficits of all indebted States, through austerity and reduction in vital spending, is no solution. In this crisis situation it is vital to ensure that democracy is put into practice by involving citizens in law-making, according to Article 6 of the Declaration of Human Rights, as a counterbalance to existing powers.

Free the economy from dependence on finance

- > Introduce a tax on financial transactions.
- > Demand a ban on toxic financial products and the practices associated with them.
- > Impose a separation between deposit and investment banking activities to avoid abuses like using taxpayers' money to bail out the banks.

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Debts and deficits

- > Support demands for citizen audit of the public debt in all indebted countries.
- > Call for public debt to be paid off by a specific tax on the financial sector.
- > Support the principle of debt cancellation for those countries worst affected by the crisis.
- > Discourage private debt by instituting controls on the easy consumer credit that has resulted in mounting household debt.
- > Re-establish the possibility of personal bankruptcy to enable heavily indebted families to get out of the vicious circle in which they are trapped.

Rethink democratic action

- > Redefine decision-making processes at local and regional levels to ensure that all sectors of the population are systematically included, and promote the participatory and deliberative mechanisms that will make this possible.
- > Introduce a right of citizen interpellation to enable a section of the population to place an issue on the agenda of national deliberative assemblies (from local councils to Parliaments) by submitting a petition, such as already exists at the level of the European Union.
- > Permit a right of direct and free recourse by all physical or legal persons to independent administrative authorities (IAA) at national level, or to the European mediator at European Union level, to guarantee the proper functioning of administrations and respect for human rights.

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