

Rediscovering Social Solidarity Economy in Community-Based Supply Chains

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The paper argues that there is a need for strengthening the solidarity between local producers and local consumers of community-based supply chains if inclusive and sustainable development is to be achieved. To support this argument and illustrate how social solidarity economy (SSE) is being developed as an alternative model of development, the paper cites the case of the free range chicken managed and operated by On Eagle's Wings Development Philippines Foundation (OEWf). An evaluation by OEWf (2012) shows that civil society organizations (CSOs), people's organizations, local for-profit private companies, and the local government unit managed to work together in developing a socially inclusive community-based supply chain. This suggests the relevance of a public policy favoring CSO-public partnership in undertaking local development projects as an alternative to the private-public partnership (PPP) which usually excludes CSOs and people's organizations in the development process.

Resilient Local Economies

In the 1950s, the Philippine economy was second only to Japan as the strongest in Asia. Many of the country's local communities at that time survived on "subsistence" agricultural economy. Production in subsistence communities was meant largely for consumption, not for exchange (Koukkanen, 2011, p. 217). Local people consumed what they produced. Their community-based food supply chain was self-reliant, relied on multi-crop cultivation, and therefore was resilient and sustainable.

A subsistence economy does not necessarily mean the absence of 'surplus.' In fact, subsistence agricultural communities had to 'save' a portion of their harvest for reinvestment in the next season's production. Savings was a necessary condition for meeting future consumption.

Neoliberal economics, however, is not fond of subsistence economies largely because they constrain the advance of the market economy (Clark, 2012, p. 1; Thorsen & Lie, 2012, p. 2). Believing that economic growth will be faster when subsistence communities are integrated into the market economy, the Philippine government took pains to monetize a greater portion of local transactions. In an effort to 'modernize' agriculture, the Philippine government introduced in the late 1960s new high-yielding varieties (HYVs) of cereal grains together with massive investments funded by foreign borrowings for the expansion of irrigation infrastructure, modernization of management techniques, distribution of hybridized seeds, synthetic fertilizers, and pesticides to farmers. Former United States Agency for International Development (USAID) Director William Gaud was well pleased with the spread of the new technologies and said, "These and other developments in the field of agriculture contain the makings of a new revolution. It is not a violent Red Revolution like that of the Soviets, nor is it a White Revolution like that of the Shah of Iran. I call it the Green Revolution" (Timerime, 2012, para. 1).

The Green Revolution indeed hastened the integration of subsistence economies into the market economy. Community-based production for local consumption was replaced by mass production over vast areas and across territories for the globalizing market economy. The hitherto self-reliant food supply chain was transformed into a supplier of a global supply chain.

In the contemporary global supply chain, the US consumer emerged as the dominant global consumer. In 2008, US consumers, while accounting for only 4.5% of world population, spent over \$9.6 trillion, or 19% of world GDP. By contrast, China and India collectively account for nearly 40% of world population, but their combined consumption was only about \$2.5 trillion in 2008 (Roach, 2009, p. xviii).

US overconsumption brought about a reversal of roles between the West and the East. US increasingly became a consumer and borrower nation, while China and developing Asia turned into producer and lender nations. The Philippines, for one, entered the IMF creditor list in 2010, infusing \$251.1 million in the IMF's Financial Transactions Plan (FTP), for on-lending to troubled nations in Europe.

But in their rush to gain from American overconsumption, economies of China and developing Asia have also become increasingly unbalanced. They relied heavily on energy, industrial materials, and base metals while supporting an export-oriented economic growth. Pollution and environmental degradation increased. Asia now makes the largest contribution to total growth in global pollutants.

Today, a tough problem confronts the U.S. - centric global supply chain: US consumers no longer have the kind of purchasing power they had before. Not even the combined consumption power of China and India can fill up the gap left by the retreating US consumers. It seems inevitable that countries heavily dependent on exports to US and Europe will experience extreme difficulties with the fall of the US and EU economies.

Walden Bello (2012) noted that the world will soon enter the 6th Year of the Great Recession, and there is no end in sight. Some 23 million Americans are unemployed or under-employed. Europe is austerity ridden as it reels from plunging exports. Even the newly emerging economies known as the BRICS [Brazil, Russia, India, China, and South Africa], once touted as the bright spots of the global economy, are slowing down. Bello (2012) blames the slow down to BRICS' dependence on Northern markets and "their inability to institutionalize domestic demand as the key engine of the economy" (para. 5).

But what the Philippine economy is currently doing is simply going back to the basics: making domestic demand the key engine of the economy. Dr. Cielito Habito (2012) argued that the energy driving Philippine economic growth lately is coming from within. Habito (2012) also explained that "indeed it is internal

demand—that is, we Filipinos ourselves purchasing our goods and services—that has provided the current impetus for heightened economic activity, thereby providing increased jobs and incomes for Filipinos” (para. 1).

Habito (2012) further noted that a big chunk of the domestic purchasing power came from government expenditures (for its own consumption requirements and public construction), private spending on communications, and domestic recreation and leisure. It must be pointed out, however, that economic benefits from these types of expenditures do not necessarily trickle down to the poor, the socially excluded, and the economically disadvantaged. To enhance the social inclusiveness and resilience of our economy, we need to strengthen domestic demand for the products of community-based supply chains.

The Challenges of Building Up SSE as an Alternative Development Model

Building up SSE as an alternative development model poses a big challenge in the midst of destruction wrought by neoliberal policies and programs on community economies. One of the constraining factors to SSE development is the obtaining condition where local economies that hitherto thrived on interdependence and reciprocity have conformed or are increasingly conforming to the profit-oriented global market economy. Integration into profit-oriented global supply chains, whose products are patronized by local consumers, has caused the fragmentation of local enterprises. As a consequence, majority of local business entities have remained in the category of ‘micro’, small or medium enterprises (MSMEs) in terms of capitalization and turnover. Collectively, MSMEs lack both the resources and the motivation to build their own supply chains which, in turn, restrict their ability to provide alternative employment opportunities to those made available by profit-driven food chains, mega malls, and extractive projects such as mining, hydro, and oil and gas exploration.

Another constraining factor to SSE development is the absence of a well-defined market for products and services of SSE organizations (SSEOs). Developing SSE means creating a market base of local consumers who commit to buy the products and services of SSEOs. This implies a re-orientation of the purchasing power of local consumers towards financing the production and distribution of the goods and services of SSEOs. No less than a cultural revolution is needed to revitalize the *Bayanihan* spirit among the Filipinos in the marketplace. *Bayanihan* denotes solidarity among a group of people in a common, collective action. It portrays oneness of purpose, moments of togetherness, caring and sharing.

The Bayanihan spirit among Filipinos today resembles a dormant social capital that comes alive more vibrantly in times of calamities or festivities. Caring and sharing in times of calamities and religious or cultural festivities constitute a domain of people's collective action not yet totally decimated by the neoliberal market economy. The Bayanihan spirit could be harnessed to the initiative of developing solidarity between local producers and local consumers.

A policy-related constraint to SSE development is the lack of consensus on the concept of 'shared responsibilities'. It must be noted that the UN conference on sustainable development goals held in Rio de Janeiro in June 2012 (also known as "Rio + 20") adopted the concept of "common but differentiated responsibilities" (CBDR) of various sectors of society as well as between developing and developed countries with respect to the implementation of the post-2015 development agenda. When the UN Open Working Groups (OWG) began discussions on the implementing tools to achieve sustainable development goals, the debates on CBDR got stalled because of the refusal of developed countries to apply the concept beyond the agreements on environmental conservation, while civil society organizations were pressing for the universal application of CBDR to all aspects of the post-2015 development agenda (Muchhala, 2014).

Table 1 enumerates the basic principles of a UDHR being propagated by the Forum on Ethics and Responsibility and the latter's arguments on why the UDHR is needed for building inclusive, resilient, and sustainable communities (Alliance for a Responsible, United and Plural World, 2001; Sizoo, 2011).

Table 1. *The Case for a Universal Declaration of Human Responsibilities (UDHR)*

Principles of UDHR	Why the need for UDHR?
<p>(1) The exercise of one's responsibilities is the expression of one's freedom and dignity as a citizen of the world community.</p> <p>(2) Individual human beings and everyone together have a shared responsibility to others, to close and distant communities, and to the planet, proportionately to their assets, power and knowledge.</p> <p>(3) Such responsibility involves taking into account the immediate or deferred effects of all acts, preventing or offsetting their damages, whether or not they were perpetrated voluntarily and whether or not they affect subjects of law. It applies to all fields of human activity and to all scales of time and space.</p>	<p>(1) the scope and irreversibility of the <u>interdependences</u> that have been generated among human beings, among societies, and between humankind and the biosphere constitute a radically new situation in the history of humankind, changing it irrevocably into a community of destiny;</p> <p>(2) the indefinite pursuit of <u>current lifestyles and development</u>, together with a trend to <u>limit one's responsibilities</u>, is <u>incompatible</u> with harmony amongst societies, with preservation of the integrity of the planet, and with safekeeping the interests of future generations;</p> <p>(3) the scope of today's <u>necessary changes</u> is out of range of individuals and implies that all people and all public or private institutions become involved in them;</p>

Principles of UDHR	Why the need for UDHR?
<p>(4) Such responsibility is imprescriptible from the moment damage is irreversible.</p> <p>(5) The responsibility of institutions, public and private ones alike, whatever their governing rules, does not exonerate the responsibility of their leaders and vice versa.</p> <p>(6) The possession or enjoyment of a natural resource induces responsibility to manage it to the best of the common good.</p> <p>(7) The exercise of power, whatever the rules through which it is acquired, is legitimate only if it (the wielder of power?) accounts for its acts to those over whom it is exercised and if it comes with rules of responsibility that measure up to the power of influence being exercised.</p> <p>(8) No one is exempt from his or her responsibility for reasons of helplessness if he or she did not make the effort of uniting with others, nor for reasons of ignorance if he or she did not make the effort of becoming informed.</p>	<p>(4) the existing <u>legal, political and financial procedures designed to steer and monitor</u> public and private institutions, in particular those that have an impact worldwide, do not motivate these latter to assume their full responsibilities, and may even encourage their <u>irresponsibility</u>;</p> <p>(5) <u>awareness of our shared responsibilities</u> to the planet is a condition for the survival and progress of humankind;</p> <p>(6) our <u>shared responsibility, beyond the legitimate interests of our peoples</u>, is to preserve our only, fragile planet by preventing major unbalances from bringing about ecological and social disasters that will affect all the peoples of the Earth;</p> <p>(7) <u>consideration of the interests of others and of the community</u>, and reciprocity among its members are the foundations of mutual trust, a sense of security, and respect of each person's dignity and of justice; and</p> <p>(8) the proclamation and <u>pursuit of universal rights</u> are <u>not sufficient to adjust our behavior</u>, as rights are inoperative when there is no single institution able to guarantee the conditions of their application.</p>

All the above constraints to SSE development demand urgent action and give rise to a ‘chicken-or-egg’ dilemma: which action should SSE networks prioritize – the adoption of UDHR by the UN or the working out of CBDR by stakeholders at the local level?

Since SSE is a bottom-up initiative of the people, its development is not totally dependent on the UDHR. Nonetheless, the latter’s adoption by the UN as its third pillar will be a big boost to SSE. At the local level, it is vital that SSE networks actively influence public policies in support of SSE supply chains, considering that the public sector is heavily influenced by the profit -oriented private business sector. In addition, SSE also needs the support of the MSMEs, social enterprises, and the CSOs to build its capacity for harnessing the Filipino Bayanihan spirit particularly in developing its consumer market base.

Building SSE by Strengthening SSEO Supply Chains

SSE stems from two types of synergies (working together): the synergy of persons at the level of the primary SSE organization, and the synergy of SSEOs at the level of the supply chain. Most SSE studies focus on the SSEO. The present paper focuses on the SSEO supply chain. The SSEO supply chain is the focal unit of action for effecting shared responsibilities. Figure 1 illustrates a stylized supply chain.



Figure 1: Basic structure of a supply chain

The supply chain takes resources from the biosphere, including base metals and non-renewable energy, as inputs for commodity production. It also throws out wastes into the biosphere from every stage of production to end-user consumption. Because the supply of energy and base metals is not infinite, a development model oriented towards sustained growth will reach its limits as natural resources are depleted. Stakeholders of the supply chain will, therefore, have to take a decision whether to continue with the profit-growth model or to make a transition to an inclusive, more sustainable development model.

Ideally, the SSE as an economic system is composed largely of ‘social enterprises’. As defined social enterprises are mission-oriented organizations that use the business model to achieve economic sustainability while pursuing the goals of social development and ecological conservation (Social Enterprise UK, 2012, p. 1). In reality, not all ‘social enterprises’ embrace the concept and practice of SSE. Some are private enterprises that exploit economic opportunities for the poor without necessarily involving the poor in the ownership and management of the enterprise.

Therefore, as a single unit, the social enterprise cannot adequately portray SSE as an economic system. The SSE results from the *synergy* of several enterprises involved in the production, distribution, and consumption of a particular good. Thus, the smallest model of a SSE is not an individual social enterprise but a supply chain of social enterprises where the poor, economically disadvantaged, or socially excluded (e.g. persons with disability, women, indigenous peoples, etc.) are involved as owner-operators. In a full-scale model of SSE supply chain, the poor, economically disadvantaged or socially excluded people are the ones performing the economic functions of input supply, production, product assembly and distribution, finance, and consumption. The socially excluded and economically disadvantaged manage and operate the SSE supply chain.

Identifying and Evaluating SSE Supply Chains

The Asian Solidarity Economy Council (ASEC) has identified five strategic dimensions of for the purpose of observing, analyzing, and understanding the SSE supply chain's performance (see Table 2). Understanding the components of SSE supply chains and how business risks and social responsibilities are shared among the stakeholders is crucial for developing strategies for integration of SSE supply chains as well as for public policy formulation.

The first two dimensions of a supply chain are governance and the values commonly shared by people in the organization. SSE supply chains are distinguished by social mission-oriented governance and by ethical/spiritual values that confer greater importance to human beings over profits. This contrasts with the growth-oriented governance of market-oriented supply chains and its materialistic values that give greater importance to profits and growth at the expense of human welfare.

The third, fourth, and fifth dimensions relate to the purpose for the supply chain's existence. The market-oriented supply chain exists largely to make profits for the shareholders. On the other hand, the SSE supply chain is intentionally established to uplift the social well being of people and / or to protect the environment. As a business enterprise, the SSE supply chain generates profits in order to achieve social development goals or ecological conservation goals, or both.

For purposes of data generation, a list of 'ideal' or expected descriptors of SSE supply chain is constructed for each supply chain dimension. The list arrived at in this paper is not exhaustive. Moreover, SSE supply chains in their early stages of development may not have fully achieved all the 'ideal' or expected descriptors. As an example, some descriptors of social mission oriented governance (e.g., participation of women in decision-making) might be deemed more important and highly relevant than other descriptors (e.g., profit sharing) in the early developmental stages of the supply chain.

For performance evaluation purposes, a score of '1' is assigned for the supply chain's 'weak' performance in a particular descriptor, '2' for 'strong' performance, and '3' for 'very strong' performance. Descriptors are expressed in terms of actions taken, e.g., women participate in the organization's decision-making process. 'Weak' performance means very few women members or none at all participate in decision-making. 'Strong' performance means many women members, but not the majority, participate in decision-making. 'Very strong' performance means majority of women members are involved in decision-making.

Table 2. SSE Dimensions: Definition, Descriptors, & Indicators

DIMENSION	ASEC DESRIPTORS	OEWf INDICATORS for evaluation of the free range chicken supply chain
<p>1. SOCIALLY RESPONSIBLE GOVERNANCE</p> <p>Socially responsible governance is one that provides guidance and enables SSE stakeholders to achieve the triple bottom line goals: social development, ecological conservation, and economic sustainability.</p>	<ul style="list-style-type: none"> a. the SSE supply chain is organized voluntarily & managed by citizens, not by the State or the private business sector; b. community members, including the socially excluded (e.g. women) and the economically disadvantaged, are stakeholders of the SSE supply chain; c. the stakeholders are free to participate in or exit from the SSE supply chain activities; d. the SSE supply chain practices profit sharing among its stakeholders; and e. a certain portion of the SSE profits is plowed back to social development services for community members and to ecological conservation measures. 	<ul style="list-style-type: none"> a. enables participation of poor in ownership & management of the enterprise (SSE organization); and b. shares profits of the enterprise with the poor.

<p>2. EDIFYING VALUES</p> <p>Edifying values are principles or morals that stimulate people to prioritize social well being and conserve the environment over profits and unsustainable growth. In sustainable communities, the basic human rights of all community members are respected and defended against injustices including exploitation and psychological and physical harm. Cultural diversity, customs, local treasures and traditions are protected, enhanced, and appreciated. Respect for human rights is balanced by a deep sense of awareness & accountability to one's social responsibilities.</p>	<ul style="list-style-type: none"> a. solidarity, mutualism, cooperation, reciprocity; b. social, political and economic democracy; c. equity and justice for all including the dimensions of gender, race, ethnicity, class, age, etc; d. pluralism, inclusivity, and diversity; e. territoriality, and subsidiarity. 	<ul style="list-style-type: none"> a. cares for and shares with the poor (reciprocity & inclusivity); b. strives to meet the needs of the poor (equity); and c. just and fair in business transactions (justice).
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<p>3. PRODUCTS & SERVICES FOR SOCIAL DEVELOPMENT</p> <p>The SSE supply chain has an explicit aim of community benefit - to serve the community, not just the immediate members of the SSE supply chain. This implies that SSE products & services are meant to contribute to the well-being or 'buen vivir' (Balch, 2013, para. 1) of local communities and to enhance the capacity of local citizens to maintain a dignified, sustainable way of life.</p>	<ul style="list-style-type: none"> a. Organic and fair trade products b. affordable education; c. decent housing, clean water, clean air and uncontaminated food; d. management capacity building for enterprises of community members; e. financing for SSE organizations; f. marketing facilities for products of community members; g. core values formation among community members; h. health services including affordable provision of quality health prevention, care, & treatment services for community members; and i. skills development/ job-oriented training for community members 	<ul style="list-style-type: none"> a. financing for enterprises of the poor; b. marketing the products of the poor; c. skills & management training for the poor; and d. conduct of values formation among the poor;
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<p>4. ENVIRONMENTAL CONSERVATION MEASURES</p> <p>SSE supply chains have the social responsibility to protect and enhance the local ecosystems and biological diversity. SSE stakeholders, for example, may develop infrastructure and institutional services with the conscious effort of not damaging the environment. SSE supply chains deliberately adopt certain ecological conservation measures that give distinction to their products as being ecologically friendly and may be labeled as ‘organic’, ‘fair trade’, ‘health-enhancer’, or ‘energy-saver’.</p>	<ul style="list-style-type: none"> a. protection and enhancement of local and regional ecosystems and biological diversity; b. conservation of water, land, energy, and nonrenewable resources; c. Utilization of prevention strategies and appropriate technology to minimize pollution; d. use of renewable resources no faster than their rate of renewal; e. infrastructure development that improves access to services & markets without damaging the environment. 	<ul style="list-style-type: none"> a. preserving biological diversity; b. use of clean production technology; c. reducing energy consumption; and d. recycling & re-use.
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<p>5. ECONOMIC SUSTAINABILITY</p> <p>Economic sustainability arises from the participation of households – particularly the poor, socially excluded and economically disadvantaged- in the community-based supply chain, from input supply and production to distribution and consumption. This stands in contrast to the profit-oriented neoliberal economy where the vast majority of households are mere suppliers of labor for the dominant supply chains as well as consumers of their products. The community-based supply chain is supported by a diversity of businesses / enterprises operated either by individuals or organizations.</p>	<ul style="list-style-type: none"> a. engaging in business (whether in the production, processing, or trading activity); b. designing and conducting their own education/ training programs; c. designing and undertaking their own production and distribution of technologies; d. mobilizing and investing their own equity capital; e. providing appropriate salary and sales commissions for their workers; f. practicing profit sharing among stakeholders; and g. enhancing customer satisfaction through quality products/ services, and customer retention through rebates on purchases. h. the value added of SSE products and services, employment generation; and i. the value added of ecological conservation measures, and total resources at the disposal of SSE. 	<ul style="list-style-type: none"> a. the SSE supply chain creates entrepreneurial activities for the poor; b. the poor is part of the SSE supply chain: and c. the poor gains financial benefits from the SSE supply chain.
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The performance of an SSE organization in a given dimension is equivalent to the sum of the scores of all descriptors of the said dimension. The overall performance of an SSE organization is equivalent to the sum of scores in all dimensions. The overall performance of the entire supply chain is equivalent to the sum of overall performances of all SSE organizations comprising the supply chain.

Performance Evaluation of Free Range Chicken Supply Chain

On Eagle's Wings Development Foundation Philippines (OEWf) Inc. used the evaluation tool developed by Asian Solidarity Economy Council (ASEC) (see Annex 1) to measure and evaluate the performance of the stakeholders of its free-range chicken supply chain in Barangay Banaban, Angat, Bulacan. OEWf chose the indicators of SSE dimensions which it deemed relevant for its purposes. OEWf also used a slightly different scoring system by assigning the value of '0' for non-performance, '1' for weak practice; '2' for fairly strong practice; and '3' for very strong practice. Figure 2 shows a bird's eye view of the free range chicken supply chain.

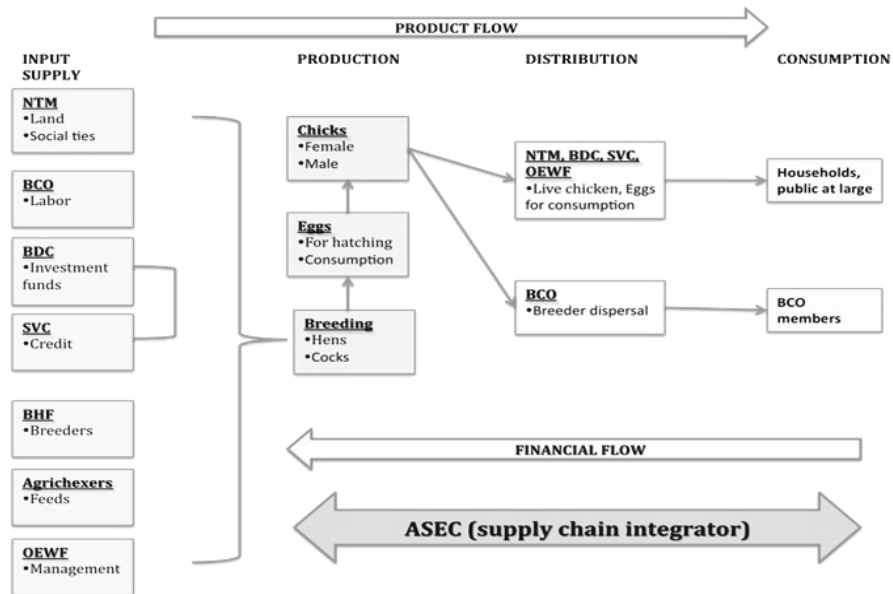


Figure 2: Free Range Chicken Supply Chain (Bernardo, 2012)

Organizations & their resource contributions to the supply chain:

- NTM** – New Tribes Mission: land, social ties with local households
- BCO** – Banaban Community Organization: labor
- BDC** – Bumbaran Development Corp.: Investment (start-up) funds invested through SVC
- SVC**– Shared Vision Cooperative: credit facilities
- BHF**– Brave Heart Farms: chicken breeders
- Agrichexers** – feeds & supplements
- OEWF** – On Eagle’s Wings Development Foundation Philippines, Inc.: management, experts

Eight organizations were involved in the supply chain development. NTM provided the land on which the chicken coops were constructed and also the social ties with the BCO and the households of Angat in general. BCO had members who met the labor requirements of the project. BDC provided the start-up funds channeled through SVC, while SVC on-lent the funds to the OEWF. OEWF provided the professional expertise to set up and manage the poultry project. BHF had the technology to reproduce high-breed free range chicken; it supplied the chicken breeders (99 hens and 11 cocks). And AgriChexers ensured the supply of quality feeds and supplements.

The local government of Angat was involved in the initial dialogue of stakeholders. It provided information about its agricultural extension services that the free range chicken project could have access to. While the local government of Angat had no direct inputs to the development of the free range chicken project, it encouraged the participation of the pupils of Banaban Elementary School in the feeding program of OEWF.

ASEC facilitated the integration of the various components that comprised the supply chain. ASEC conducted a series of dialogues participated in by these organizations from project conceptualization to project planning and the signing of contracts.

Limitations of the OEWF Study

Although BCO was an important stakeholder of the project, the OEWF study failed to record its performance. A profile of the BCO member-workers was lacking, thus it was not possible to ascertain whether they were ‘marginalized’ or the benefits from the project were commensurate compared to the contributions they made. Due to time constraints, the study also did not capture the chain of economic value added from the input suppliers to producer, to distributor/retailer,

and the final consumer. This could have provided an insight into the relative contributions of each stakeholder to the total value added generated by the supply chain.

Results of the Supply Chain Evaluation

The full results of the evaluation study can be found in Annex 1. A summary of the results is shown in Table 3.

Table 3. Results of Performance Evaluation of OEWf Free-Range Chicken Supply Chain Stakeholders

Stakeholder	D 1	D 2	D 3	D 4	D 5	Average
OEWf	3.00	3.00	2.25	3.00	3.00	2.85
NTM	3.00	3.00	1.50	3.00	3.00	2.70
SVC	3.00	3.00	2.25	2.25	3.00	2.70
BDC	1.00	3.00	3.00	3.00	3.00	2.60
AgriChexers	0.50	0.33	0	1.25	1.00	0.62
BHF	0.50	0.33	0.75	3.00	2.00	1.32
Average	1.83	2.10	1.62	2.58	2.50	2.13

From: Bernardo, J.M., 2012 Evaluation of the OEWf Free-Range Chicken Project. Unpublished manuscript. On Eagle's Wings Foundation, Quezon City, Philippines.

The not-for-profit stakeholders (OEWf, NTM, and SVC) registered “strong” performance in the dimensions of governance, ethical values, economic sustainability, and ecological conservation dimensions. These CSOs registered not as strong performance in social development not for the lack of zeal but because of limited resources, which was made worse by their practice of community organizing, values formation and skills training on pro-bono basis.

Meanwhile, the for-profit companies (BDC, AgriChexers, and BHF) showed “strong” performance in ecological conservation and economic sustainability dimensions. Their performance was “weak” in socially responsible governance (the poor are not included in their organization), social development (they had no social development services to the poor), and edifying values (they were mainly profit oriented, except for BDC which organizes feeding program for the poor although it had not yet extended this program to Angat as of the study period). These private companies merely supplied on commercial terms chicken feed (AgriChexers), breeder hens (BHF), and operating capital (BDC). They did not extend any form of social development services to the poultry operators or to the local households in Angat.

On the other hand, the private companies scored high in the environment conservation dimension because they adopted ecological conservation measures such as biological diversity and reducing energy consumption (BHF), use of clean technology and recycling/re-use (BDC & AgriChexers).

Graphic illustrations (see Annex 2) of the evaluation results in the governance dimension show the sharp differences in the performance of not-for-profit stakeholders and the private for-profit companies participating in the project.

Despite these differences, or perhaps because of them, the stakeholders of the free range chicken supply chain sought for and found a way to collaborate, thus establishing a common ground for advancing SSE . This was made possible through the intervention of the Asian Solidarity Economy Council (ASEC) which brought the CSOs and private companies together to build the free range chicken supply chain in Angat.

Conclusion

The free range chicken supply chain illustrates a case where SSE is being developed as an alternative model of development. As borne by the results of evaluation done by OEWF, civil society organizations (CSOs), people's organizations, local for-profit private companies, and the local government unit managed to work together in developing a socially inclusive community-based supply chain where the poor and the marginalized are truly included in the development process. This insight suggests the relevance of a public policy favoring CSO-public partnership in undertaking local development projects as an alternative to the private-public partnership (PPP) which usually excludes CSOs and people's organizations in the development process.

In every country, a variety of SSE supply chains exists, although most of them may not have reached full development and maturity. They emerge in situations where people feel the need to work together and collaborate with each other in meeting their own needs. SSE supply chains will last longer and become sustainable when stakeholders are committed to sharing the burden of business risks and social responsibilities.

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Annex 1. Assessment of SSE Case:

(Score values: 0- Not practiced; 1 – weak practice;
2- fairly strong practice; 3-very strong practice)

**1. WHAT GOVERNANCE PRACTICES OF THE ENTERPRISE ARE
‘SOCIAL MISSION-ORIENTED’ OR ‘SOCIALLY RESPONSIBLE’?**

Indicator/Descriptor of the enterprise’s social mission/ social responsibility	Degree of practice
1. enables participation of poor in ownership & management of the enterprise	
2. shares profits of the enterprise with the poor	

**2. WHAT ETHICAL VALUES ARE IMPORTANT TO THE ENTERPRISE
IN TRANSACTING BUSINESS?**

Indicator/Descriptor of the enterprise’s ethical values	Degree of practice
1. cares for and shares with the poor	
2. strives to meet the needs of the poor	
3. just and fair in its business transactions	

**3. WHAT SOCIAL DEVELOPMENT SERVICES DO THE ENTERPRISE
PROVIDE? ARE THE SERVICES BENEFICIAL TO THE POOR?**

Indicator/Descriptor of types of the enterprise’s social development services to the poor	Degree of practice
1. financing of enterprises of the poor	
2. marketing products of the poor	
3. skills & management training for the poor	
4. conduct of values formation among the poor	

4. WHAT ECOLOGICAL CONSERVATION MEASURES DO THE ENTERPRISE ADOPT?

Indicator/Descriptor of the ecological conservation measures undertaken by the enterprise	Degree of practice
1. preserving biological diversity	
2. use of clean production technology	
3. reducing energy consumption	
4. recycling & re-use	

5. WHAT MEASURES CONTRIBUTE TO ECONOMIC SUSTAINABILITY OF THE ENTERPRISE?

Indicator/descriptor of the measures of the enterprise to achieve sustainability	Degree of practice
1. the SSE supply chain creates entrepreneurial activities for the poor	
2. the poor is part of the SSE supply chain	
3. the poor gains financial benefits from the SSE supply chain	

Evaluator:

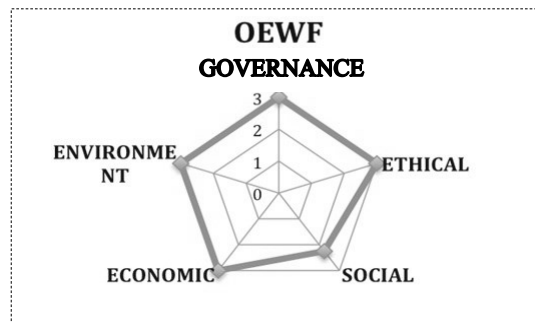
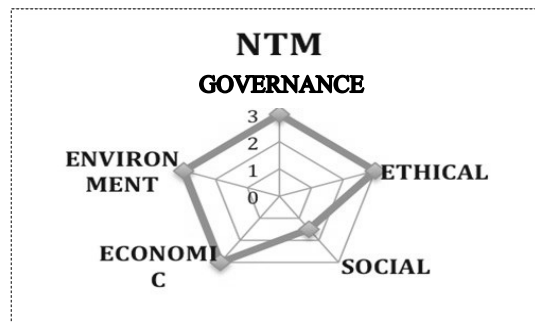
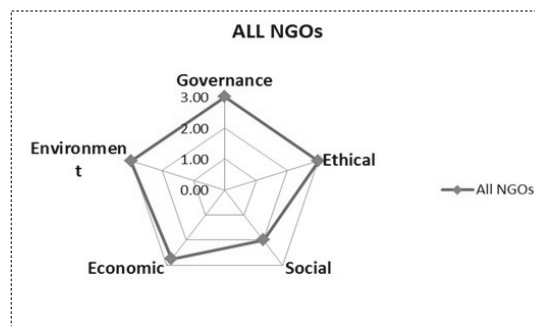
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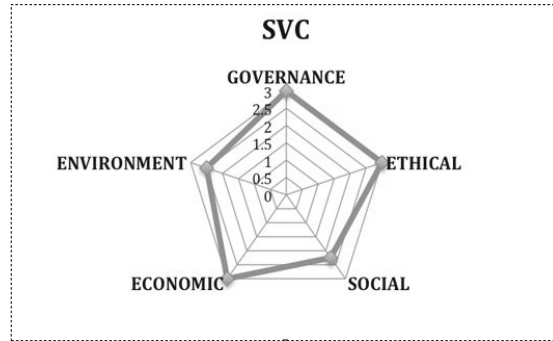
Date submitted

Annex 2

Results of Performance Evaluation of OEWf Free-Range Chicken Supply Chain Stakeholders

OVERALL PERFORMANCE: NOT-FOR-PROFIT STAKEHOLDERS





OVERALL PERFORMANCE: PRIVATE FOR-PROFIT COMPANIES

