

THE RISE OF THE SOCIAL ECONOMY IN HAITI: CONSTRUCTING SOLIDARITY OR SURVIVAL STRATEGIES IN A COUNTRY IN CRISIS?

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RESUMEN

En la última decena, muchos actores en la cooperación para el desarrollo y numerosos agentes locales han resucitado el debate acerca de la utilidad y de la contribución específica de la economía social para el desarrollo. Esa economía se encuentra cada vez más en el programa tanto de los países industriales como de los en vía de desarrollo, en ese contexto de crisis económica y de ajuste estructural. Este artículo tiene como objetivo analizar la economía social en Haití. Esa sociedad está caracterizada por la marginalización de sectores sociales, un desempleo masivo y la emergencia cada vez más importante del sector informal. Además este artículo se propone también examinar la teoría y la práctica de la economía social haitiana y su aporte al desarrollo. Los principales desafíos de la economía social y los obstáculos a la cooperación internacional en Haití están estudiados aquí.

PALABRAS CLAVES

Asociación, cooperativa, empresa, seguridad social, economía social, cooperación, desarrollo, crisis, exclusión, pobreza, internacionalización, gobernanación, transición, población urbana, desempleo, innovación, microfinanzas, empréstito.

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ABSTRACT

Over the past decade, many actors in development cooperation and a good number of local players have revived the debate on the usefulness and the specific contribution of the social economy in development. The social economy is increasingly on the agenda in both the industrialized and development countries, especially following the series of economic crises and the implementation of economic reforms and structural adjustment programs (SAP). In this context, this article aims to understand this type of economy in Haiti. This country is characterized by marginalization of social sectors, strong presence of unemployment and an increasing emergence of the informal sector. More in particular, the article aims to review the discourse and practice of the social economy in Haiti and to consider its role in the process of development. The main challenges that the social economy has to face in Haiti, as well as the role of the international cooperation will be analyzed.

KEY WORDS

Association, cooperative, enterprise, social insurance, social economy, cooperation, development, crisis, exclusion, poverty, internationalization, governance, transition, urban population, unemployment, innovation, microfinance, loan.

Introduction

Most regions of Africa, Latin America and Asia are now exposed to a great increase of organizations such as the associations and the cooperatives. New forms of solidarity, community enterprises and social insurance are tested. These organizations, more or less linked to each other, are active in most economic sectors, but also in social sectors such as health care, education and housing. There is no doubt that this increasing number of small and medium-sized initiatives that often operate without official recognition, is a popu-

lar response to the transformation of a omnipresent *welfare state* (or that would like to be such) into a ‘minimalist’ state with limited functions¹³. The increase of these initiatives could be interpreted as a reaction of a population that has faced increasing difficulties (Coluccia 2002). Nevertheless, this phenomenon is more than a negative reaction to liberalism (Boutillier 2002). Insofar, as these organizations are linked and create a new social practice, they become a social force and give birth to an ideological alternative to the dominant stream of thought (Hamzaoui 2007). The many association practices arising spontaneously constitute what we call the ‘social economy’. According to their name and legal form, we commonly speak of cooperatives, mutual societies, associations etc. ... Most of these organizations are quite young and often there is not even a legal status that characterizes them. Only the cooperative sector has a long tradition.

First of all, in order to give a definition of the social economy, we will refer to its etymology. Here, we will not dwell on the distinction between social economy and solidarity economy (*économie solidaire* in french)¹⁴, as both of them are quite close in their meaning and have the same purpose as a corollary of local development. Thus, the economy of solidarity is an emerging economy,

13 In the North, the social economy claims the involvement of the welfare state to respond to emerging needs of the population and questions the public administration on the quality of its services and the inclusion of the user. Far from involving a challenge to the financial commitment of the State, this need to anticipate needs, service quality and user involvement involves a willingness to negotiate and share the management of services with civil society.

14 The term of *solidarity economy* regroups a number of different movements and concepts. The solidarity economy is generally regarded as belonging to the social economy. However, the first relates rather to organizations identified by their status and occupying an important place in the economy (banks, mutual, etc ...) and the second in activities aiming to develop new models of operation of the economy, such as fair trade or the integration through economic activity (Caluccia 2002)

focused on local development initiatives, reintegration processes and fight against exclusion. To associate, to cooperate and to share: these are the terms of the social economy. To associate means to join ones means, to come together. To cooperate is to act with someone or several individuals, to undertake together the implementation of an action or a project. This implies working in a system of solidarity in a group of individuals with a social purpose, thanks to the contribution from every single member. The social economy wants to be an alternative to liberalism and other ideologies of capitalism. A first point of departure from the neoliberal narrative concerns self-interest. In a social-economy perspective, self interest is not a fixed and dominant driver of human behavior, but rather exists in dynamic relation with an orientation towards cooperation and the common good, with the dialectic between the two being mediated by socio-cultural norms and ethical and moral values (Lutz 1990; George 1998; Davis 2003)¹⁵. This richer view of the person is well captured by the idea of the social economy that shows how uncommon narrow pursuit of self-interest is; rather shows cooperative behavior to be so pervasive as to suggest we are more *homo reciprocans* than *homo economicus* (Fehr and Gächter 2000; Camerer 2001).

In Haiti, the inability of the State to ensure a policy capable of meeting the social needs, has fostered the development of solidarity among employees in the formal sector of the economy, but

¹⁵ As Hobson wrote in distinguishing John Ruskin's vision of social economics from political economy: "... we do not abandon the self seeking motives . . . [but] we enlarge the scope and expand the nature . . . [of] the 'self' which is seeking satisfaction . . . by imposing sacrifices of the narrower self in favor of a wider self which grows as we identify our good with that of others" [quoted in Lutz 1990: 240].

also among non employees in the informal economy, both in rural and urban areas. Many of these initiatives operate in the domain of social economy. At present, over a population of 7.2 million, nearly 3 million Haitians are unemployed. The already weak GDP has been steadily dropping over the past ten years. Haiti became the poorest country in the northern hemisphere and with a human development index (HDI) of 0.440, one of the poorest in the world. The social and economic situation of Haiti is characterized by a pervasive social exclusion. Already in 1998, a study published by the World Bank estimated that 80% of the rural Haitian population lived below the poverty threshold, set at U.S. \$ 220/year (Wiens and Sobrado, 1998). This poverty was aggravated by the multifaceted structural crisis experienced by the country in recent years, resulting in the exacerbation of the phenomenon of social exclusion. In this context, the objective of this article is threefold. First, it aims to focus on ideology, rhetoric and cooperation practices in the context of Haiti, which is characterized by an alarming socio-economic situation and the presence of a weak state. This will enable us to detect the outline of the evolution of the social economy in such a context and also to identify the key players that help in shaping the sectors of this type of economy in the above country. We will also examine the role of the social economy in the development process. This can deliver a better understanding of the complexities of social economy and can establish, at the same time, some parameters to evaluate this type of development.

Second, our article seeks to develop an alternative analytical tool which should be instrumental in understanding how cooperative movements or other forms of social economy are born and deve-

lop in countries characterized by an all pervasive poverty and political instability. Despite the existence of the public domain and of the civil and rural Code, Haiti still remains a traditional and pre-modern State. With such an analysis, we would discuss if the social economy can be something more than just a social palliative solution but may develop into a real economy in a society still largely marked by a traditional and pre-modern hierarchy, mainly formed by large landowners, capitalists traders, moneylenders and speculators.

What is the contribution of the social economy in such situation of social and economic emergency?

What could be the effect of this crisis on the social economy sector?

Finally, this paper aims to give some elements to assess the level of incidence of international development cooperation in the social economy in Haiti. The approach of the social movement that will be considered here, will consider the social movements deriving from the social economy as isolated entities, thus presenting them as part of an interaction between practice, ideology and organization. Social movements challenge an environment already structured with its own power relations. That is why we pay great attention both to the construction process of social economy and its context. The construction process involves continuous changes and interactions but also taking into account the characteristics and patterns of inertia of the past. To understand the forces involved in this process, the article adopts, first of all, an historical perspective.

From the outset, the strategies of cooperatives' development have been a priority in the overall development process. This was

the case both at the colonial time and after the independence from France. The values attributed to cooperation have changed over time; they depend on the ideology and the strategy for overall development. In some cases, the social sector, and in particular the cooperatives, were seen as one means among many others to accompany and guide the development process. In other cases, cooperatives were seen as a central element in building a nation. What is currently the place of the social economy in the Haitian context? Is the social sector the manifestation of a collective local project or rather a new form of interventionism carried out by Northern countries through the international cooperation initiatives?

We want to reiterate here that the emergence of cooperation in the developing countries was closely linked to the internationalization of society and the economy. However, our analysis will take into account the local and national peculiarities that reject universal assumptions. This article is structured as follows. First, it starts by making a brief presentation of the socio-economic situation in Haiti, highlighting the main challenges faced by the country. Thereafter, it analyzes the different stages of evolution of the social economy in this country and its various dimensions from a socioeconomic and institutional point of view. The case of financial organizations in the social economy will subsequently be presented as an example. The factors characterizing the experience of the social economy in Haiti will be identified, as well as the main challenges for the future.

Haiti, a country characterized by a precarious socioeconomic situation

The Republic of Haiti is the poorest and most populous in the Caribbean region. Its population is 7.2 million, of which 60% currently living below the absolute poverty, earning an annual income under \$ 100 U.S. The literacy rate is around 46.4%. The Haitian economy continues to deteriorate: its average annual growth was negative in the 1990s and its productivity has declined by nearly 60% (Duval, 2003). Political stability is being improved, but high unemployment, weak economy and immature governance structure continue to contribute to dissatisfaction and unrest among the population.

The political instability and the economic transition were followed by a general deterioration of the social situation of the population in Haiti. The recession, combined with the declining domestic production, lower real wages and benefits, rising cost of living and unemployment, caused an alarming increase in social tensions. The economy underwent an inflation rate of over 50% during the embargo from the USA, which has contributed to erode the purchasing power of the consumers in Haiti. The combined effects of poverty, the rapid population growth and the degradation of urban and rural environments have caused the worsening of living conditions of citizens. Statistics show the intensity of the deterioration of living conditions of Haitian including the most disadvantaged segments of the population. The 2007 UNDP report on human development reveals that 65% of the urban population and 80% of the rural po-

population live below the absolute poverty line. Only half the population has access to medical services and only 24% has sanitation facilities (UNDP 2008). Social exclusion is also evidenced by the absence of social protection systems. In 2000, a study by Ponticq (2000) noted that only 79,000 people in Haiti had a life and health insurance. Of these, 42 000 were civil servants.

The concept of social economy in Haiti

In Haiti the concept of social economy is increasingly popular and covers a multifaceted reality. Indeed, the term is used alternately with various concepts such as 'economy' and 'community economic development'. It seems that the popularity of these terms is linked, on the one hand, to the widespread informalization of the Haitian economy, which includes the social economy. For many, cooperatives, societies and associations are slightly formalized institutions. On the other hand, these terms reflect the priority for the stakeholders to find and to expand the development patterns which are close to the systems of the community solidarity and survival of the poor masses. In this perspective, cooperatives, societies and associations are part of economic nationalism and populism, based on its own jurisdictions, which aim to protect and defend the local population against the economic dominance of an elite minority (Colmant 1993).

Even if the economy is currently experiencing a renewal, the cooperative, mutual and voluntary organizations have existed in Haiti for a long time (Bazin 1999). We will trace here the three main

stages in the evolution of this sector. We located the first phase in the emergence of the cooperative sector after independence in 1804, when the founders of the Haitian homeland distributed land. This period is characterized by so-called “associations of workers”, ie groups of collective workers, paid in kind (mostly food) such as the *coubites*, the *mazingas*, the *rondes*, the *corvées*, the *ramponeaux* or those paid in cash, such as the *djobs* or the *jounins* (Gayot 1983).

The second stage begins with the creation in 1937 of the first modern cooperative. The experiences of cooperatives derived from this model are all marked by the influence of large farmers. Then, since 1950 and under the influence of Canadian missionaries, the movement of saving and credit cooperatives similar to the Caisse populaire Desjardins was introduced in Haiti. Gayot (1983) locates the third stage of development of social economy around the 1960's. Since that time, there has been a burst of cooperatives of all kinds: agricultural cooperatives, production cooperatives, consumer cooperatives, craft cooperatives. In the context of this development, the Act on cooperatives is promulgated on 2nd April 1981 and gives the National Council of Cooperatives (CNC) an important role as administering and control authority.

The political, social and economic conditions of the second half of the 1980's have obviously had a significant effect on the cooperative sector. The number of cooperatives was estimated at 68 000 (Develtere, 1998). The credit unions were the most dynamic part of the cooperative movement. At that time, there were two federations of credit unions: the Union of *Caisses Populaires* of South-East region (URECAPS) and the *Caisses Populaires* du Nord (SOCEPNO). There were also 80 coffee cooperatives into the Cen-

tral Cooperative of coffee in Haiti. Also, a dozen cooperatives involved in the cocoa industry and several cooperatives marketing art craft on the tourist market of Haiti and the Caribbean were in place.

The tense political situation of the 1990's contributed to the breakdown and the institutionalization of the cooperative sector (Downing 2005). Many cooperatives became inactive and the networks experienced political conflict. External support was then put on hold. Meanwhile, despite the political and economic atmosphere, many cooperatives and community initiatives were emerging (Bazin 1999). On the one hand, the socio-economic initiatives that derived from the religious and the social movements developed with the dual function of a grass-root mobilization and service to its members. For instance, we can point out the cooperatives formed by community movements such as those of the *Papaye Peasants (Paysans de Papaye)*, *Solidarity among young people (Solidariété entre Jeunes)*, Tèt Kole and trade unions.

On the other hand, the socio-economic innovations at the community level are created by the people as the only means of individual and collective survival. These initiatives are not born under impulse nor with the support of political authorities, but in the absence of a social and economic policy (Develtere 2002). Subsequently, the profile of these organizations has become more heterogeneous. Cooperatives can develop into more standardized models promoted by the supervisory bodies such as the CNC. They also grow by experimentation. This is evident among others in the great diversity of decision-making, organizational and funding systems applied to cooperatives. It should also be noted that current cooperatives are closer then ever to other components of the social economy, such

as the associations and other economic or social groupings. They all share the desire to fight against social exclusion and to outreach the community (Develtere 2002). Moreover, most of these initiatives have multiple goals and develop diverse and varied systems to promote access to credit, medical and social services and education.

The different dimensions of social economy in Haiti

To understand the social economy in Haiti, it is useful to study it from different dimensions. All these dimensions clarify the variable geometry of the area. First is the *sociological* dimension which refers to the community of origin and/or the community formed by different stakeholders in the sector. We can distinguish at least four communities or social spaces. We present them in their history on the Haitian scene. The sociology of everyday life in Haiti has always produced and continues to produce institutions and systems of solidarity, sharing, distribution and cooperation. The most famous are those with a long tradition as the groups of collective work and solidarity as *coumbites*, *sol* or *sabotage*. Many of these institutions and mechanisms are characterized by their *ad hoc* or *ex post* nature, in the sense that they are mobilizing human and financial resources when the need arises. Several, however, incorporate prevention systems. This is the case, for example, for the groups and the associations of solidarity.

Secondly, we can distinguish the initiatives of the economy that are created by social movements or interest groups. We re-

fer here to cooperatives, services, associations or solidarity groups from major trade unions (worker and peasant), or developed by groups of interests such as traders, fishermen, craftsmen, producers of coffee, growers or officials. For these social movements or interest groups, these initiatives are socioeconomic collective mechanisms of social mobility which relate to the defense of individual and collective interests (Byas 1983). Finally, we can distinguish the non-governmental organizations and institutions to develop micro-finance institutions or support the social economy because they regard them as means and instruments to channel funds to target groups. In most cases, these non governmental organizations (NGOs) and the microfinance institutions (MFI) work together as systems of patronage and incubators of cooperatives, groups or other institutions (Thompson 2006).

A second aspect concerns the *institutional* aspect of social economy initiatives in Haiti. It seems to us that the very informal definition of “grouping” is the most widespread, but that the legal status of “cooperative” is the most acknowledged and visible. Between these two forms of social economy, we can find the mutual associations and the foundations. The prominence of the institution of “cooperative” obviously has much to do with the legal and administrative framework, considering that the cooperatives insofar are the only category of social economy recognized by the law.

The *third* dimension is the *sectorial* dimension. Some initiatives of the social economy exist in almost all sectors of the Haitian economy. In the health sector, these initiatives exist through loans by credit unions, but also by systems of micro insurance developed by caregivers or the microfinance institutions. Some cooperatives

and associations are also involved in agriculture and farming. Some NGOs, foundations and non-profit associations organize educational services. The support for the institutions of micro-finance is positively reflected on the commercial sector. The construction, transport and tourism sectors have a large number of collective labor groups, associations and cooperatives. Contractors working in these sectors are also often members and clients of community-based micro-finance initiatives.

Finally, the *technological* dimension of the social economy initiatives refers to the methodology that is adapted to the goals of the institution, to the characteristics of the members and the economic context. The techniques which are used most often to support the economic transactions of their members are: the access to services, the collective purchasing or supplies, the development of service facilities (such as health centers or training), the marketing of products and services related to credit and saving. Thereafter, in the domain of social economy we will analyze the financial sector, which has known an intense development in the recent years. We will then present the different types of financial organizations, trying to see their contribution in terms of their population coverage and their capacity to mobilize savings at the local level.

The financial organizations of the social economy in Haiti

In Haiti, about 100 credit unions/credit unions, NGOs, foundations and unions serve as *intermediate financial structures* (IFC)

or financial institutions (FIs). Their number is growing rapidly and although a consistent number has been established recently, this type of financial organization meets a growing demand for micro-finance services and credit of the country. The movement of credit unions is an area that continues to grow and strengthen its capital base during the period of political instability and the embargo.

The proliferation of associative organizations in the area of savings and credit is explicable by various factors and problems of the local financial sector. First, the numerous small traders, artisans and farmers could not be achieved due to the lack of adequate funding. These micro-entrepreneurs do not find services that meet their specific needs (Werlin and Hastings 2006). In Haiti the financial sector is characterized by an extraordinary centralization in Port-au-Prince. Indeed, it is unusual for a private commercial bank to have branches in the country. Private banks serve a clientele estimated at two thousand borrowers (Dewez and Welch 2003). In 2001, according to the database of ICD/FINNET (2002), 23 institutions non-cooperative organizations (with a business size of 150 customers and a portfolio of loan of at least 100,000 *gourdes*) are involved in the micro finance. These institutions have legal status of NGOs, foundation, association, religious institution, private company or commercial bank. As for the credit unions' cooperatives, it is estimated that their number is between 300 and 350. There are now over 1, 000 mutual social associations implemented by many organizations such as KOFIP (*Collectif Financement Populaire*), FONHSUD (*Fonds Haïtien d'appui au développement du Sud*), COD-EMH (*Coordination of development operations – Methodist church*) etc. The National People Financing Organiza-

tion (KNFP), which comprises 9 networks of solidarity financing, has even created an itinerant Training Institute (IMOFOR) whose primary function is to disseminate the idea of mutual solidarity and to train actors. However, community banks are much older, since they date back to 1984.

According to DAI/FINNET (*Financial Services Network for Entrepreneurial Empowerment*), the various micro-finance institutions (MFIs) in Haiti use various methodologies. Credit unions are cooperative-type micro-finance institutions (or considered as cooperatives) that provide financial services only to their members on a reciprocal basis. One becomes a member by purchasing a share of the fund and paying an entrance fee. In general, credit unions favor an autonomous growth strategy focused on mobilizing the savings of members to establish fund loans.

Community banks use a methodology of credit solidarity by gathering usually 20 to 35 individuals, mostly women. The micro-finance institutions provide a loan fund which is distributed among members of the bank who meet at regular intervals to repay. Members will provide mutual guarantors, the outstanding loans becoming the responsibility of others. Currently there are not in Haiti reliable statistics on organized women's groups. However, the FOKAL estimate that the community banks are in total around 300, comprising some 10,000 women in 5 departments of the country. We can estimate that the number of members of women's groups is roughly composed by 50,000 members (FOKAL, unpublished).

According to the methodology of credit, so-called "solidarity group" (*groupe solidaire*), an IMF provides credit to a group of 3 to 10 people who provide mutual guarantors for repayment. The du-

ration of the loan, the interest rate and the repayment schedule are determined by the micro-finance institutions, while the amounts received by each individual are set by the group and approved by the micro-finance institutions. This methodology is different from the one of the banks. In the latter case, there is no objective of group training. Finally, there are also institutions of micro-finance that practice the methodology of direct credit on individual basis. They give loans to individuals by following the methods of conventional bank loans. With 140,000 savers and a portfolio of over 650 million *gourdes*, the micro-finance institutions is one of the most developed sectors of the landscape associations of the country (UNCDF 2007)

An uncertain performance

The lack of decentralization of the financing structures is problematic for the economic agents who operate mostly outside the metropolitan area. In terms of intervention area, financial organizations of the social economy are particularly concentrated in the West. Indeed, this region receives 25% and 24% of total lending by the intermediate financial structure (INES, 2000). In terms of distribution of funds by type of beneficiary, 61% of women are served by the financial organizations of the social economy. The percentage of loans based on group guarantee accounts for 55%, 1% and 3% in the portfolio of SHEC (*Société Haïtienne d'Épargne et de Crédit*), GTIH (*Haitian Intermediary Technical Group*) and CREDICOOP (*Caisse Centrale de Crédit Coopératif*) (INES, 2000). This form of guarantee does not look very similar to that suggested

by the Grameen model because it is usually a group of individuals coming together to apply for a loan. The financial organizations active in the social economy have difficulties in raising funds and ensuring the management of a large number of customers. There is also the difficulty of integrating their micro credit into the macro-economic framework (USAID 2005).

Clearly, the capacity of financial organizations in the social economy is limited by a set of problems related to behavior of the potential beneficiaries of credit transactions (illiteracy, low managerial capacity of the beneficiaries, customer mobility in urban areas etc. ...). The problems are also related to institutions (banks' aversion to risk granting credit to customers informally). There are also economic problems due to political and economic instability, inflation and lack of capital for small producers. Finally, the structural difficulties, such as an inadequate legal framework governing cooperatives, lack of coordination between different programs, lack of infrastructure and training center specializing in cooperative are major (Dahlstrand 2002). Under these conditions, the ability of financial organizations in the social economy is hampered.

Most of the money collected by financial organizations in the social economy comes mainly from the outside. In fact, international and bilateral assistance alone represent 66% of the total funds collected by financial organizations in the social economy (UNDP 2008). This indicates the degree of dependence of these organizations vis-à-vis the outside. According to a study conducted by UNDP (2008), financial organizations of the social economy in Haiti are characterized by a lack of experience and the inability to raise significant funds, unlikely to meet the increasing demand of

the customer informal long-term. The uncertainty concerning the sustainability comes from their inability to earn enough income to cover their costs. The self-sufficiency in the operations will not be achieved as long as microcredit programs will continue to practice subsidized interest rates that do not take into account the increasing inflation rate (Brodhead and Germain, 1997).

In Haiti, the sector of social finance is still to emerge, after years of oppression and lack of resources. A large part of its historic capacity has been undermined and its reconstruction is underway; however, many organizations have a limited capacity management for programs. The presence of organizations of social finance is uneven and much of it is located in Port-au-Prince or in limited areas in peripheral regions (INES 2000).

The different logics of social economy organizations in Haiti

While the term may seem contradictory, in the case of Haiti we can talk of a widespread social exclusion in the sense that most of the population can not have access to an employment which guarantee a certain income level on stable basis or to the fundamental right to welfare. In this context, as we have already said, an important segment of the population is turning to the social economy initiatives to support their economic activities and social protection. In this article we have tried to understand the links between economic development, the socioeconomic context and the political instability of Haiti. We also tried to see what may be the

contribution from social economy to the resolution of the crisis experienced by the population.

We will now identify the peculiarities of the social economy in Haiti, trying to see the impact that a situation of instability can produce in the initiatives of social economy in this sector. The growing importance of the informal sector in the economy of the country and the economic vulnerability of people are indicators of the increasing social exclusion. The self-employed in Port-au-Prince, capital of Haiti, are increasingly in trade (from 64% in 2002/2003 to 71.2% in 2006/2007). The growth of the informal sector concerns in particular trade and manufacturing sector, with respectively 84.3% and 48.9% of workers (Lamaute-Brisson 2001). This informal economy with its micro enterprises created 'by force' is characterized by its strong overlap with the domestic sphere, by low productivity and a limited income.

In this context, dozens of associations, cooperatives and groups are created by farmers, traders and craftsmen to support the economic operations of their members. These social institutions often have multiple goals that are achieved by a wide range of activities such as micro-finance, procurement, marketing, development and maintenance of infrastructure or training. An example of such initiatives is the *Association Paysanne de Value* (APV), which was founded in 1987. This association was created in the context of the movements developed after the dictatorship reflecting "the awakening of social consciousness" in opposition to the practices of peasant organization under the Duvalier regime. The APV develops activities in several sectors, among other agro-environment and animal husbandry, health, education, micro finance, processing of

agricultural products, housing, small businesses and training. Its 6,000 members are grouped in 58 groups. Among its major achievements, there is the construction of a road section of 13 km, the construction of 12 housing facilities and a micro finance. For these activities, APV depends largely on the support of many donors.

In a situation where the presence of the State is very limited, no political regulation is applicable to the social economy, which must find its own destiny and path. On the Haitian scene, many initiatives of social economy lack of ethical base and often become groupings with private or political purpose. This is particularly the case for the mutual health of the Cotelab, cooperative of health professionals (doctors, laboratory technicians, etc.) and the DASH health organizations, created and managed by a medical doctor. In the philosophy of the North American Health Maintenance Organizations, the objective here is clearly that of a provider (that also has the status of an NGO) seeking to monetize its various health facilities profit by the conclusion of collective insurance. To this end, 80,000 people would be covered by different insurance policies with 80% of the clientele coming from some formal enterprises operating in the free zone of Port-au-Prince (INES 2000).

In a highly fragmented economy, financial cooperatives predominate both in terms of financial capacity and number of members. The growth of the Haitian economy is also reflected on the social economy. The very informal formula of 'groups' is the most widespread and the sociology of everyday life in Haiti. The groups and associations such as the *coumbites* and *corvéés* continue to play an important role in mutual assistance and solidarity (Domond and Loupeda 2006).

The social economy in Haiti: a true expression of solidarity models of the South?

For several decades, the benefits of financial, material and human support given to cooperative movement and social movements in general have not been challenged. It is only recently that the criticisms against the foreign intervention have arisen and a school of thought of non-interventionist approach developed. Yet, we have not yet moved from a passive cooperation and antagonist to a protagonist and active cooperation based on full commitment and control from the members and local leaders. In other words, local groups are not yet become the owners of the development process and of their movement.

In Haiti, in recent years, NGOs, health care providers, associations and IMF are trying to develop systems of shared risk or micro-insurance. Several attempts have been launched to develop systems of micro-health insurance (MAS) related to other structures such as schools, associations or unions of workers or peasants, and the microfinance institutions. As we have seen earlier in the example of the financial sector, so far these initiatives are still very fragile and underfunded. In the absence of resources and political state, the actors of the social economy seek alliances with foreign donors for financial support. The players of the Haitian economy with a certain visibility in public space, a higher level of organization and a significant economic return for their “members” have almost all benefited by large external financing. Being very dependent, the social economy of Haiti grows therefore according to the logic and priorities of international cooperation, since it is the only active interlocutor of such initiatives.

Currently, even if the 'interventionist' model from the cooperation organizations of the North has been under discussion, the reality often shows excessive interference from the 'developers' of the North (Defourny et al. 1999). As emphasized by Odile Castel, NGOs from North promote, even unintentionally, the image of the North in the South, and convey also a model of development. They may even strengthen the control of the South by the North, through co-financing and information they provide (Castells 2002). The laws of development of social economy for these organizations are often universal. It is about respecting the rules of the game as they are applied in cooperatives and movements from the North. Besides financial support, the main task of international cooperation is to transfer know-how and social and economic engineering which is the basis for social and cooperative institutions in the North. The cooperative movements of the type of Raiffeisen in Europe, savings and credit in the United States, the Mouvement Desjardins in Quebec or the agricultural cooperatives in Scandinavia are some examples.

We would like to stress our belief that the economy is not 'a product to export' but it first requires a solid social and economic basis at local level. In this regard, we can refer to authors such as Favreau and Frechette. These latter argue that the inadequacy of 'good' advice to outside social movements. According to them, any requirement of programs or strategies, not to mention tactics by foreigners, has every chance of being without interest and against the best-productive at worst (Favreau and Frechette 2002).

The participatory approach that characterizes the social economy, should take more into account the needs and capacities that local agencies did in the colonial and post-colonial time. This is also

valid for the inspiration and methodology used, which should not necessarily be used elsewhere. The initiatives should have to be built on increasingly decentralized cooperation, meaning that international cooperation is an important responsibility to civil society in the determination and implementation of the policy of cooperation.

Conclusion

The current situation of the country influences the logic and practice of social economy in Haiti and can sometimes distort its social objectives. The social economy can risk remaining at a stage of social palliative plateau when it is not organized by civil society and accompanied by the state. Nevertheless, the social economy plays an important role in a country in strong economic and institutional crisis as Haiti. Given the previous considerations on international and national forces that shape the perspectives of economic growth and social development in general, the international cooperation should first seek to forge more equitable links between the movements of social economy of the North and the South.

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