INCUBATION OF SOLIDARITY ECONOMIC ENTERPRISES: THE EXPERIENCES OF THE INCUBATOR UNITRABALHO-UNIVERSIDADE ESTADUAL DE MARINGÁ-UEM IN PARANÁ STATE-BRAZIL

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The government agencies have created specific programs allocating funds for projects that foment the creation of opportunities for income generation at least to reduce conflicts arising from unemployment and poverty. Efforts are also being proposed, and academic monitoring of these property developments through the Technological Incubators of Popular Cooperatives and Incubators Network Inter-University Labor Studies and Research. These incubators operate in the rescue of the university's commitment and become a channel and a reference to interact and integrate the process of formation of cooperatives and associations in order to generate employment and income. The experiences of incubation of solidarity economic enterprises involving workers on one side and poor on the other professionals in several areas of knowledge still lack studies. For this, this research aims to study the Incubator UNITRABALHO of the Universidade Estadual de Maringá, Paraná State, Brazil. The research aims to investigate the main results obtained by groups for enterprises that were incubated (period 2003-2010) regarding the increase of welfare of workers and their families who work in cooperative ventures in the metropolitan region of Maringá. The methodology used was literature research and exploration, where we used sources produced by the Incubator of UNITRABALHO and other institutions nationals. It starts with the assumption that the activities developed by the nucleus of the solidarity economy can contribute to promoting the inclusion of productive people in situations of social vulnerability. It is concluded that the development of projects under study led to the improvement of aspects related to the level of income of workers and families participating, the diversification of the public attended (for example as women, settlements of landless farmers, young apprentice, handicrafts). Moreover, there was an expansion of public resources directed to solidarity projects.

Keywords: Solidarity economy, Employment and income; UNITRABALHO-UEM, Brazil.

1. Introduction

Brazil is a country historically marked by social inequalities, which have contributed significantly to the extreme poverty they incur thousands of Brazilian families. Living in extremely precarious conditions in terms of health, housing, food, education, access to employment and exclusion of their most basic rights has been a chronicle of life in much of the population excluded from the process of economic

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growth and development of the country. In this context, we highlight the need for state intervention in the formulation of public policies aimed at mitigating the vulnerabilities incurred by families.

Among other functions, the state must identify the causes and consequences of poverty, as well as ways to eliminate it, reducing social inequalities. In addition, the State is responsible for regulating the forms of distribution of social goods and the correction of distortions that the regulatory mechanisms of market relations may cause.

In Brazil, an example of state action in an attempt to reduce social inequalities, promoting productive inclusion is Unitrabalho Network (Inter-University Foundation Studies and Research on Work), a national network of universities and higher education Institutions. One of the projects that comprise the Network Unitrabalho in Brazil are incubators of solidarity enterprises (technological university incubators of popular cooperatives). Therefore, this article aims to verify the main results obtained by the groups projects that were incubated for Center / Incubator UNITRABALHO of the UEM - State University of Maringá, Paraná State, Brazil, from 2003 to 2010, regarding the increase welfare of workers and their families who work in cooperative ventures in the metropolitan region of Maringá. The central hypothesis of this research is the understanding that the activities of the core social economy can contribute to promoting the inclusion of productive people in situations of social vulnerability. The choice for the period 2003 to 2010 occurred to be a period marked by increased activism of social policies in Brazil.

The paper is divided into five sections including this introduction and closing remarks. The second section discusses the Brazilian context of social inequality and the importance of state intervention in the promotion of productive inclusion policies, emphasizing the role of Technological Incubators of Popular Cooperatives and Centers / Incubators Network Inter-University Labor Studies and Research. Section three describes the experience of the Center / Incubator Unitrabalho UEM in the incubation process of solidarity economic enterprises involving workers in need. The fourth section presents the main results of the survey.

2. Technological Incubators of Popular Cooperatives and Centers / Incubators Network Inter-University Labor Studies and Research

Poverty and social inequality, and spatial distribution of income are socioeconomic issues that have accompanied the history of Brazil since the beginning of its occupation by Europeans, especially from the early sixteenth century. Thus, although both poverty and social inequality and spatial raised have, over time, establishing policies and creation of government institutions geared specifically to combat it, it is considered that regardless of the methodology used to measure these phenomena, both still appear at high levels.

Even in the Brazilian case the consequences of poverty are more sensitive because it is a country with enormous extent and highly heterogeneous in terms of socio-economic development. It is recognized that the historical conditions and the process of economic concentration led to a strong regional disparity in per capita income levels and living conditions between the regions of Brazil, especially from the Northeast, Southeast and Southern Brazil.

It is at least contradictory and shameful one country has the rank of sixth largest economy in the world while living with high levels of poverty, millions of people in situations of extreme vulnerability. This scenario is changing with the advent of a new direction of Brazilian social policies, in large part responsible for the attempt to reverse the situation described above. As a sign of the search in the various situations mitigate vulnerabilities that affect a significant portion of the population, it is observed in recent years, especially during titled "golden decade" (2000-2010), the country showed positive developments in terms of social improvements, guarantees the rights, especially in meeting the needs of the poor. Specifically, since the Real Plan, social indicators have shown, in Brazil, positive changes in all aspects, including the indices that measure inequality. The latter, according to Barros *et al* (2000), is considered a major cause of poverty, because historically it has been realized that poverty levels are more sensitive to changes in the degree of inequality than in economic growth rates.

This occurs because the more concentrated is income, the greater the gap between rich and poor. It is a fact that since 1995, Brazil has had strong decline in extreme poverty. Among the factors responsible for the reduction of poverty level to highlight the reduction in inequality in labor income, where the policy of continuous increase in the minimum wage and improving the training and qualification of manpower stand; and the advancement of social policies, especially, the main cash transfer program, the PBF – Programa Bolsa Família.

We can highlight the need for state intervention regarding the formulation of public policies aimed at mitigating the vulnerabilities incurred by a significant part of the Brazilian population. Among other functions, the state should identify the causes and consequences of poverty, as well as ways to eliminate it, reducing social inequalities. Moreover, the State is responsible for regulating the forms of distribution of social goods and the correction of distortions that the regulatory mechanisms of market relations may cause. It is understood that the State has the responsibility to develop tools / policies that can alleviate, reduce poverty levels. Historically, the developed economies in the figure were the main agent of the State conducting the process of reducing poverty levels, especially after World War II. Only civil society and / or the market have not been able to accomplish the redistribution of income in a balanced way, not even of reducing poverty.

Our Constitution of 1988, considered the "most democratic" Brazil has ever had, assures in his art. 6 are social rights to education, health, work, housing, leisure, safety, welfare, protection of motherhood and childhood, and assistance to homeless individuals. In this context, to ensure greater effectiveness of social rights, the Constitutional Amendment No. 31, December 14, 2000, owing to a fundamental objective of the Republic - to eradicate poverty and marginalization and reduce social and regional inequalities - established the Fund Combat and Eradicate Poverty, established under the Federal Executive, to run until 2010, and with the objective of enabling all Brazilians access to decent levels of support, the application should direct their resources to the additional shares of nutrition housing, education, health,

strengthening family income and other relevant social interest programs aimed at improving the quality of life. Thus, reduction, eradication of poverty and social inequality is right, proclaimed by the Constitution, for that "must" be met.

As an example of state action in an attempt to reduce social inequalities, promoting the inclusion of production, has the Unitrabalho, a national network of universities and higher education institutions. Presently, there are 100 regular members. It is a non-profit foundation, established in 1996 by the deans of universities who felt themselves committed to the ideal of the social function of such institutions. The network accomplishes this ideal through research programs and social projects.

The Unitrabalho Network aims at strengthening both the affiliated institutions of higher education and organizations which focus on the study of labor and labor relations and conditions. Such institutional identity derives from strong humanistic values to which Unitrabalho is committed since its establishment. Institutions of Higher Education Network aggregate Unitrabalho are responsible for investigating the problems of social vulnerabilities that occur in the communities in which they operate.

The main purpose is to promote cooperative research and social actions inspired in the betterment of labor conditions in every relevant aspect, be it technical, periodical, social, mental or physical health, cultural. Unitrabalho's mission is to link the knowledge produced in the universities and the knowledge which comes from the experience of workers in order to achieve its permanent ideal of improving and humanizing labor relations and the life of every worker.

One of the projects that comprise the Network Unitrabalho in Brazil are incubators of solidarity enterprises (technological university incubators of popular cooperatives), subject of this study. Its origin is linked indirectly to the campaign "Citizens' Action against Hunger and Poverty and for Life" started in 1992 by sociologist Herbert de Souza, Betinho, worthy of citizenship.

By understanding that the university's center for the production of knowledge that need to be made available to society in general, especially for people who do not have resources, the purpose of incubators of solidary enterprises project is to organize and to offer training to groups of people lacking permanent and regular sources of income so as to make of them an unity of production, organized according to the principles of social cooperation. A relevant element of the training process is the learning of self-management and collective responsibility for the whole undertaking. The major goal is to achieve a higher level of integration among several unities of production, that is, the formation of productive chains. Presently, there are 25 first-rank universities supporting this project.

3 The experience of the Center / Incubator Unitrabalho UEM in the incubation process of solidarity economic enterprises involving workers in need

The incubation process involves the direct participation of members of joint ventures with the staff of the Incubator. The participation of beneficiaries in project

management is because the incubation takes place through a collective process in which the team necessarily interacts with recipients of care seeking in a joint referral and possible solutions to the challenges they face in their daily day.

The Center / Incubator Unitrabalho UEM develops its research and extension activities focused on the educational process aimed at workers (rural / urban), guided participation and dialogue through the organization of work and aspects of self-management of enterprises (legal , accounting, financial and other necessary information). In this regard, priority development projects in strategic areas for the development of cities in Paraná, especially those who have low IDH-Human Development Index. The team's work Unitrabalho comprises: two coordinating teachers, mentor teachers 9, 12 technicians and 46 trainees. Faced with the need to aggregate multiple areas of knowledge produced in universities, teachers, technicians and trainees come from various fields such as Education, Sociology, Economics, Business Administration, Accounting, Law, Psychology and more according to the branch group activity or project, such as agronomy, animal science, food engineering and others.



Figure 1 - Head of the Center / Incubator UNITRABALHO UEM Source: www.unitrabalho.uem.br

The main objective of the teachers / researchers, technicians and students of the Center / Incubator is to promote income generation and consolidation of self-management ventures, transfer of technologies appropriate application of these small entrepreneurs and act in close coordination and partnership with public and private initiatives for the benefit of workers served by the projects.

The selection process of beneficiaries with respect to the initial proposal of the project, covering rural and urban groups, with priority given to the first and throughout the project arose demands from local governments and groups, especially in rural areas. After analysis by the team, some groups were inserted to replace those who had no continuity or have not progressed in the incubation process. The beneficiaries are informal groups and projects in urban and rural areas. It is about 654 families, totaling approximately 2,450 people, coming from 25 groups and Solidarity Economy projects, considering the agrarian reform settlements, located in the metropolitan region of Maringá.

3.1 Developments and beneficiary groups of the rural and urban

a) Enterprises and beneficiary groups of the rural

1. Producers Cooperative familiar organic passion fruit: the Cooperatvama is composed of 77 smallholders organic passion fruit, and 32 have been certified and the other in the process of certification, located in the district of Poem - New city of Thebes. The Incubator team performs technical assistance to the producers to join them in production.



Figure 2 - Cooperative and Agribusiness Organic Fruit Pulp - Cooperatvama Source: www.unitrabalho.uem.br

- **2. Groups of farmers in agricultural reform:** it is 04 Agrarian Reform settlements totaling 220 family farmers. They are producing milk and passion fruit, among other fruits and grains / cereals. To continue working with groups of settlements, livestock, milk and fruit, has started a process for formation of a cooperative that led to the creation of the Cooperative Family Farmers Valley Ivaí COOPERIVAÍ.
- **3. Groups of farmers in agricultural reform:** it is 10 groups of small farmers of Agrarian Reform Settlements totaling 304 families in the settlements, approximately 1000 people. We tried to deploy units model (reference) on some properties, as a strategy for motivating other properties also adopt the same procedure producing garden, orchards and animals in the vicinity of dwellings.
- **4. Group of women (AMAM) Food:** in early 2010, the group has had 13 women and AMAM Women's Association Settlement Marajó was legalized. This group of women grows agro ecological products as diverse vegetables in community garden, especially strawberries with good productivity which sell in the local market. Women are also participating in the cooperative association of Cooperivaí, through the cooperative may participate in projects for marketing, along with other members.
- **5. Producers Group family of herbs and vegetables:** despite efforts there was no continuity to attend this group, which ended up not being formed as a collective to improve income and provide employment.
- **6. Group of farmers:** lack of feedback from stakeholders, the Incubator is no longer accompanying the group of family producers of milk, comprising 20 producers, looking to the incubator with the intention of improving productivity and marketing. There was no continuity of work, because the producers just decided not by a collective organization.

b) Enterprises and beneficiary groups of the urban

Recycling Enterprises:

7. Coopercentral: is a cooperative high school, founded in 27.11.2004, designed to process and market in joint cooperative natural materials, improving their income through the commercialization scale.



Figure 3 - Coopercentral Source: www.unitrabalho.uem.br

8. Coopermaringá: cooperative is more structured of the Complex, besides being the first out of the former landfill. Conducts its activities and distribution of earnings equally and steady self-management. Receives part of the material from the selective collection of municipal government city-hall and part is collected with a truck purchased by the project presented by the Incubator / UEM to the Bank of Brazil Foundation. The cooperative performs separation and marketing of recyclable material. It has about 13 members.



Figure 3 - Coopermaringá Source: <u>www.unitrabalho.uem.br</u>

9. Coopernorte: founded in 2003, was the last born of co-operative removal of the dump scavengers, with approximately 22 members.



Figure 4 - Coopernorte Source: <u>www.unitrabalho.uem.br</u>

10. Coopercanção: was formed in 2003 by collectors and worker pushes cart that working in the recycling business for over 10 years, with carts and wagons, with an average age over 45 years. The cooperative works individually in the collection, but collectively the separation, sorting and sale of recyclable material. They also receive, selective collection of materials in the municipality, two or three times a week, currently with 15 members.



Figure 5 - Coopercanção Source: <u>www.unitrabalho.uem.br</u>

11. Cooperpalmeiras: formalized in September 2006, Cooperpalmeiras always been advised by staff of the Incubator since its incorporation. However, after repeated attempts to follow the group by the team without success, the Incubator decided to send letters stating that no more would make its incubation in order that the group was not following its guidelines, including failing to make the necessary assemblies even with the team's insistence that the harm.

12. Coopmar: it was made official in April/2008, being composed of remnants of Apcmar (association of recyclers Paiçandu). It is formed by street collectors who collect recyclables in carts and wagons, but also receive material from the selective collection of the municipality. The cooperative works individually in the collection, but collectively the separation, sorting and sale of recyclable material. It comprises 13 cooperative predominantly male, aged 45 years.



Figure 6 - Coopmar

Source: www.unitrabalho.uem.br

- 13. Coopervidros: was formed in 2009 by workers who left the Cooperpalmeiras, and has as main objectives the collection, classification and sale of glass and pieces (for marketing in scale), and recyclable materials in general. Consisting of 13 workers cooperative, the cooperative is seeking to compose its membership, which requires 20 people.
- **14.** Cooperecológica: is the newest venture of the complex recycling, as though it was formed in 2009. Develop the cooperative activities of collecting, sorting, baling and marketing of recyclable materials, consisting of fifteen (15) workers cooperative.

Craft Groups

- 15. Group of artisans / sewing (City of Guaporema): group involving 12 women who produce handicrafts in the line of linens and curtains, urban living, but for now is no longer being monitored by the team since the Incubator decided not to formalize the cooperative therefore believed that the way they were organized was already emerging effect, so it was best not to change.
- **16.** Group of artisans' hands to do "(City of Sarandi): the work of incubation had started in March 2008. Produce various kinds of handmade (line linens, decorations

and bags). In early 2010 the group ended up breaking up because of personal problems, health, and others who decided to seek other means of income.

17. Group of women artisans in Nova Esperança: The contacts with the group are incipient. There have been meetings on site with a group of 05 women, working with crafts. The group was participating in the fair organized by the Solidarity Economy at the University Incubator in May. Following this initiative, the team has met three times with representatives of the group to lay plans for MEC and MDA, in order to provide support for the group for next year.

Occasional Activities

In addition to the groups and projects discussed above, the Center / Incubator Unitrabalho UEM serves more than eight (8) urban groups with specific activities without the full process of incubation. They are: 18. Cooperagir; 19. Associação de reciclagem; 20. Projeto de coleta seletiva no município de Engenheiro Beltrão; 21. Asucmar; 22. Projeto Girassol; 23. Cooperluz; 24. Artesanato Santo Antônio e 25. Adolescente Aprendiz.

4 Search Results

The work developed by the Center / Incubator Unitrabalho UEM have their activities for the incubation process of systematic monitoring of groups and projects that are formed during the process. In many ways we can point to the evolution of workers in increased income and the acquisition of knowledge, both technical and political rights to work and health, citizenship and higher levels of schooling, as is the case especially of workers in recycling. These workers understand today that organized networks or Central, as the Central Marketing (Coopercentral) that is formed cooperatives to aggregate we call complex garbage, covering more than one municipality, improve their marketing and adding value through the units processing waste, increasing the income of cooperative individuals. In rural areas the results can be observed in changing the way we work planting and preventive actions, especially in cultures of organic products such as fruit.

In both cases, there is a change of attitude of workers against the rulers, showing more security to reclaim what they want in meetings and formal and informal meetings. In addition, we highlight the increasing demand for workers who want to organize your self-managed enterprises and associations, as was the case of farm workers in the settlements in the municipalities of the Quinta do Sol and Peabiru, totaling 220 family farmers in agrarian reform settlements.

The work on gender perspective also allows women to redeem their self-esteem and seek emancipation through self-managed collective work. Working with the settlers in pole Paranacity has also benefited over 306 families. In the case of groups of farmers, helps prevent the exodus of younger members of the property to see that she has options

and future sustainability. With the development of "living yards" in agrarian reform settlements, indirect improvements of income in that case no longer buy in the supermarket which starts to produce in your backyard, and the best quality products.

Dairy farmers also showed an increase in their income by selling milk, since with more bargaining power with large buyers to obtain better prices, not only by volume, as the best quality.

Households in urban areas, now have a viable alternative to unemployment, since, having at least one of the family members associated with a self-managed enterprise, now have more peace of mind with improved quality of life and self-esteem. There is an increase in family income with the participation of women through craft activities, although this improvement is still quite modest. In more established enterprises already seen an improvement in monthly income, and improvement in general working conditions.

The incubation of enterprises practiced by the Incubator is a practical and educational organization aimed at monitoring systemic technical and social support. The teaching method is practiced in a dialogical process of building and participatory between the guiding team members, among workers in the group treated between groups met and between the team advisor and accompanied workers seeking to respect the limits and the same time learning. This interaction is the union of knowledge and exchange scholar's popular understanding of the functioning of the whole self-managed enterprise (integrated vision of all) and encouraging the formation of group identity, internal democracy and autonomy against the team of advisors.

The work developed by the Center / Incubator Unitrabalho also generates impacts for the university that hosts the project for extension activities permeate increasingly shares the Universities. Incubation of enterprises, a work directed exclusively by the community, this allows insertion of the University community, bringing to it the opportunity to access knowledge generated by that number. The research at the University can contribute to the improvement of production techniques and management of their enterprises. Also enables the university does not just go in and theorizing, combining theoretical knowledge it generated, to the practical. Put it in the space of social exclusion which she theorizes away with much. The team of advisors that also involves the students start to live a reality that was once far away, knowing it only through a process of abstraction. This is a great wealth of learning.

Another important issue is the experience of multidisciplinary and interdisciplinary, as an incubator is necessary to add several fields of knowledge produced in universities, such as Education, Sociology, Economics, Business Administration, Accounting, Law, Psychology and more in accordance with the branch of group activity or project, such as agronomy, animal science, food engineering and others.

In the actions of incubation the prospect of systematic monitoring is largely guaranteed by the presence of experts and scholars available for the Project. Otherwise the teachers would not be able to leave the field as often due to other responsibilities conferred upon it by the Institution. The work of technicians and academics under the

able guidance of teachers, through planning meetings and activities is fundamental readjustment. Such activity would not be possible without public funding for the hiring of technical and academic exchanges in the areas related to incubation.

Moreover, the incentive to call extension of the University contributes to the solidification of the tripod inseparable (teaching, research and extension) and increases the potential for activities of non-paid internship, working with the academic training of students and human involved. The project to benefit the Incubator Development Economic Solidarity of UEM (Center / Incubator Unitrabalho UEM), promotes the expansion of discussion on Solidarity Economy and Food Security within the University and also in Municipalities (through events and other related activities).

5 Concluding Remarks

In Brazil, a country strongly marked by distortions in income distribution, one of the strategies of the state to reduce social inequalities is in promoting the inclusion of production, taking into account the principles of solidarity economy, aims to reintegrate into society by marginalized market forces.

The objective of this research analyzes the main results which obtained by enterprises that groups were incubated for Center / Incubator Unitrabalho of the State University of Maringá, Paraná State, Brazil, from 2003 to 2010, regarding the increase of welfare of workers and their families who work in cooperative ventures in the metropolitan region of Maringá. The groups ventures presented in section 3 are evidence of the success of this form of state intervention with local universities / regional. It was found that the activities and actions undertaken by Unitrabalho / UEM contribute to the promotion of productive inclusion of people in situations of social vulnerability in the region studied.

The success stems largely from the way they conducted the activities and actions, because it involves the direct participation of members of the business to the Incubator team. Thus, the participation of beneficiaries in the management of the enterprise allows a collective process of cooperation in which the team interacts with beneficiaries necessarily looking for in a joint referral and possible solutions to difficulties.

Therefore, it is a collective and dialogical praxis, where the actions, resolutions and referrals are never taken in absentia of the final beneficiary is the employee of the incubated enterprises. This fact can be observed at all times of the incubation process. There is an exchange, joint construction and reconstruction of academic knowledge (theoretical and technical) and popular, both essential to the process, aiming at the organization and feasibility of projects associative self-management.

Additionally, in Maringá happens significant changes in political and legal order. This is an achievement of waste recycling cooperatives Maringá with support from the local community, university, religious entities, against the passage of the bill submitted by the city of Maringá build a plant for the incineration of the waste produced

in the region. This project was vetoed by the county Legislature, representing a victory of the struggle for the care of environmental issues and the mobilization of cooperative solidarity economy.

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