

# THE GAS AS LABORATORIES OF CIVIL ECONOMY

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## **Table of Content**

Introduction	2
PART ONE: The Italian experience of GAS: an overview	4
1. Let's talk about GAS	4
2. The milestones in the growth of GAS	5
PART TWO: A deeper observation: three complementary and harmonic	
components of GAS	
1. People	12
2. Planet	16
3. Profit	19
PART THREE: GAS in the Civil Economy framework	21
The roots and the rebirth of Civil Economy	21
2. Why GAS are Civil Economy's laboratories?	25
Conclusions	28
References	30

#### Introduction

For four years we have been witnessing the biggest global economic crisis since the end of World War II. It is a systemic crisis that is shaking the certainties of the economic mainstream. This paper fits in this tacit context. It talks about the Italian phenomenon called GAS, or Solidarity Purchasing Groups, and aims to demonstrate that the GAS are laboratories of Civil Economy.

In the following pages we will see how the last two decades have rediscovered the interest and study of the Civil Economy's tradition of thought. Looking to the past is what normally happens in times of crisis, when the foundation upon which the economic structure was built is more or less tacitly called into question.

The thesis argued here, is that the GAS are an expression of this resurgence of interest in the Civil Economy. What's more, the GAS experience goes a step further, it is a new practice that looks to the future. We will therefore talk about the GAS as a case in which the market becomes an instrument of relationship and a place of civil and civilizing meetings. We will also see how this relationship becomes more important than the purchase itself.

Finally, the ultimate goal of this paper is to bring a little contribution to the change in the cultural matrix that has so far supported the economic system. This is because we believe that "the significant problems we have cannot be solved at the same level of thinking with which we created them".

The first section is an overwiew of the GAS phenomenon. In the first chapter we will set the topic, explaining what a GAS is, how it is constituted and what its aims are. Then in the second chapter we will lay out the milestones in the growth of GAS. From the birth of the first group in Fidenza in 1994 to the evolution of the phenomenon, from the

first GAS network to the development of the Solidarity Economy's Districts.

The second section is a description of the system of ideas that underpin the Solidarity Purchasing Groups. In the first chapter we will focus on the word "people", or on the relationship between members and producers, and among members themselves. Then we will take into account the underlying theme of the work as a common link. The second chapter, on the other hand, is dedicated to the component named "planet". Here we will define the relationship between GAS and the environment, through the concept of "Environmental Justice" as defined by Martinez Alier. Finally, in the third chapter we will focus on the word "profit". This will be a chapter that will serve as a link between the second and the third sections. Indeed we will introduce here the key-topic of the Civil Economy framework.

In the third section we will explore in more detail the GAS experience from the perspective of Civil Economy. The first chapter briefly recalls the roots of Civil Economy and takes into account some reasons why it has been brought into the contemporary attention. Finally, the second chapter binds the GAS experience with the Civil Economy. We will demonstrate here how and why the first can be defined as a laboratory of the second.

#### **PART ONE**

## The Italian experience of GAS: an overview

#### 1. Let's talk about GAS

G.A.S is an acronym for the Italian expression "Gruppo di Acquisto Solidale". And it can be translated with the expression "Solidarity Purchasing Group".

It is common knowledge that a purchasing group consists of a number of consumers that cooperate in order to buy goods directly from the producers or from big retailers, at a discounted rate. It is neither an original idea, nor a new one. But being "Solidale" means something more. In a GAS, in fact, the letter "S" (Solidarity) contains the goals – while the "A" (Purchasing) the means – of their social, cultural and economic acts.

The aims of the Solidarity Purchasing Groups are many. Firstly, they promote consumer's awareness of their role and power. Secondly, they support the diffusion of local products (or, if not local, the fair trade ones) coming from farms and enterprises that operate legally, respecting workers and environment. Often they sustain organic food producers. Last but not least, they encourage the relationship between producers and GAS members, and the solidarity and fraternity among them.

As we can read on the national GAS website<sup>1</sup>, three adjectives can describe a GAS: small, local and ethical<sup>2</sup>. «Piccolo per permettere un'organizzazione semplice e per favorire la relazione tra i soci, locale perché siamo interessati e responsabili del territorio che abitiamo e solidale tra i soci, con i produttori e con l'ambiente».<sup>3</sup> When a group of friends or of families share the wish to become a Solidarity Purchasing Group, they should find first of all, producers that meet the solidarity

<sup>1</sup> www.retegas.org

<sup>&</sup>lt;sup>2</sup> We use here the adjective "ethical", but the literally translation of the italian words "solidale" is "be in solidarity with".

<sup>&</sup>lt;sup>3</sup> http://www.retegas.org/index.php?module=pagesetter&func=printpub&tid=2&pid=2 Trad: Small, to allow a simple organization and to encourage the relation among the members. Local, because we are interested in – and responsible for – the environment in which we live. Ethical among the members, between them and producers, between them and the environment.

criteria. Then they should establish an internal group structure in order to collect orders and redistribute the products, according to the possibilities and skills of each member. Finally they should setting up a formative meeting calendar, including meetings with the producers, with the eventual civic/local/national GAS networks, with the chosen speakers in order to analyse some specific themes, and with the local organisations operating within the "Solidarity Economy"'s context.

At this point it's easy to understand how crucial the choice of products and producers are. Indeed, Solidarity Purchasing Groups are constantly in search of producers and products that satisfy the most stringent ethical requirements. Related to this scope, the network becomes a fundamental task for the GAS since it allows it to share information about producers among different groups. And what's more, joining a network means one can share projects, experiences, competences and also have a bigger impact on institutions and media. So that different groups periodically come together in civic, local and national networks. Nowadays the national network counts about 100 Solidarity Purchasing Groups, while there are 900 groups registered on www.retegas.org website. Notwithstanding, if we consider the existing groups in Italy, the number could be nearly double.<sup>4</sup>

Trying to define the dimension of this phenomena, let's consider the number of participant families. Their average number is very variable in each GAS and it depends on group's structure and principles. It could be from ten to one-hundred. Considering that a medium-sized group has 25 families (nearly 100 people), we can suppose that in Italy nearly 200.000 people (nearly 50.000 families) are using products and/or eating food coming from Solidarity Purchasing Groups. Finally, the average annual family's expense in a GAS is estimated at 2.000 Euro.<sup>5</sup>

In conclusion, in Italy the Solidarity Purchasing Group's phenomena is having big success. Slowly but surely its growth is shifting money from large-scale retail trade to economic exchanges based on proximity and relations.

6

<sup>4</sup> http://www.retegas.org/index.php?module=pagesetter&func=viewpub&tid=2&pid=7

<sup>&</sup>lt;sup>5</sup> Ibidem

In the next chapter, thanks to the Bernelli and Marini's book "L'altra Spesa"<sup>6</sup>, I will retrace the story of Solidarity Purchasing Groups in Italy. Starting from Fidenza, where the first group was born, travelling around the milestones to reconstruct step by step the sensational growth of GAS.

#### 2. The milestones in the growth of Solidarity Purchasing Groups

#### 2.1 The beginnings

The story of GAS begins in 1994 in Emilia Romagna, in the city of Fidenza. «Questa esperienza –racconta Mauro Serventi, uno dei pionieri di Fidenza – è nata dall'esigenza di soddisfare un bisogno (mangiare sano), ma facendolo 'insieme'»<sup>7</sup>. At the beginning there were about ten families, but the group quickly grew to a thousand members. This growth was even too fast and big, so that the core decided to split into two smaller groups, giving birth to Salsomaggiore's GAS. Notwithstanding, the founder's group remained significant, counting sixty families. Then, in the wake of Fidenza's experience, other people decided to join together and other GAS groups rose up. Reggio Emilia was the second Italian city constituting a Group.

The following year the association "Libera" was born with the aim to encourage the civil society to act against the Mafia, promoting values such as legality and justice. The "Libera Terra" cooperatives were among the first producers providing Solidarity Purchasing Groups.

In 1996 in Italy there were eight GAS groups. From the association "Mani Tese", the Florence Group arose, while Francesco Gesualdi and his Centre for a New Development was looking after the first edition of *Guida al consumo critico* 8.

<sup>&</sup>lt;sup>6</sup> Michele Bernelli, Giancarlo Marini, L'altra spesa, Ed. Ambiente, Milano, 2010

<sup>&</sup>lt;sup>7</sup> Davide Musso, *Il cambiamento preso per la gola*, in "Altreconomia" n.8, luglio/agosto 2000 Trad: This Experience – tells Mauro Serventi, one of the Fidenza's pioneers – was born out of the need to satisfy a necessity (to eat well) and what's more, doing it "together".

<sup>&</sup>lt;sup>8</sup> A cura del Centro Nuovo Modello di Sviluppo, Guida al consumo critico, Ed. EMI, 1996

Slowly but surely the Solidarity Purchasing Group movement was establishing itself – guided by civic movements, non-profit associations, fair trade networks – until, in 1997, another foundation stone was laid when the first GAS network was born. This was an enormous stimulating force for new group's rising. Thanks to the network, in fact, the Solidarity Purchasing Group's experience spread. Information among groups was circulated by a bulletin called "Bogar". Released mainly as a paper on the web, in each number there was an updated list of GAS groups which "fell into the net", the presentation of one group and one or more producers, news from the world of GAS. Another important network tool was the website, in which there was general information about GAS, their story, motivations, structure, and producers.

In 1999 the number of Solidarity Purchasing Groups rose to twenty-eight. In this year the first edition of "Altreconomia" came out. It was a monthly magazine on the themes of fair and solidarity trade, environment, ethical finance and international cooperation. As we can read on AE website, its aim is to give visibility to ways-of-life and productive, commercial and financial initiatives inspired by sobriety, equality, sustainability, participation and solidarity principles. Evidently, since then the Solidarity Purchasing Groups could count on a strategic ally.

The year 1999 was also the year of the first official national GAS meeting. It took place in Fidenza, with the title "Bio-logico bio-etico". The meeting proceedings took the shape of the document I GAS – un modo diverso di fare la spesa. This "base document" of being a GAS put on paper the reasons why a group rises, what is a GAS, its motivations and guidelines, its criteria, its internal and external organization and its perspective. The document also contains some practical indications about for example what to do when a group becomes too big, or some advices for a new one.

In few years, nearly the whole of Italy was involved in GAS's network, from Trentino's Alps to Siracusa's Sea, even if the great majority of the groups are located in the Centre-North of Italy.

#### 2.2 Internal and external relations

<sup>9</sup> www.altreconomia.it

The year 2000 was named, by GAS themselves, the "year of relations". On 4<sup>th</sup> of June the title of the second national meeting was exactly "Economia delle Relazioni". This was also the year of the first "Equoroma", the Roman GAS meeting. In 2001, the registered Solidarity Purchasing Groups were 54. Andrea Saroldi published the first book on GAS, *Gruppi di Acquisto Solidali, guida al consumo locale*. <sup>10</sup> In Torino, besides, rose the first GAS local network when six groups met together in a network centred on Fair Trade's chain shop "Equamente".

During this year two unprecedented violent events shocked the world: the fall of the Twin Towers – that swept away the international balances, violating the usual United States invulnerability and revealing the exceptional instability of the international framework – and looking at Italian context, the facts of G8, in Genoa. This was one of the darkest pages that the Italian "Second Republic" had ever been writing. The repressive violence used against civic, social, environmental, economic associations and single citizen's demonstration was a terrible blow to the Italian civic society. Marching together under the ACLI, ARCI, Legambiente flags, among many, in Genoa there were also the GAS and their members.

#### 2.3 The importance of being network

In the following years the Solidarity Purchasing Groups consolidated and enforced their networks: in 2002 the national group's network became known as "Retegas", while in 2003 "Intergas" – the network of Milan GAS – and "L'isola che c'è", connecting together various solidarity economy's experiences in the province of Como were born.

The growth of GAS seemed to be unstoppable and, on 23 June 2005, they reached the number of 200. The national meetings in 2004 and 2005 took place in two particular frames: the very first editions of "Terra Futura" and "Fà la Cosa Giusta" respectively. These are two national and annual appointments in which the so-called "Solidarity Economy's world" opens its door at sectors such as tourism, textile products, energy, and services in general. From then on, Solidarity

 $<sup>^{10}</sup>$  Andrea Saroldi, Gruppi di Acquisto Solidali, guida al consumo locale, Ed. EMI, 2001

Purchasing Groups, their producers, ethical finance institutions, Fair Trade associations, Responsible Travel associations, trade unions, non-governmental organizations on international cooperation, associations for environmental protection and social promotion, and so on, came together at these events.

The last edition 2012 of Terra Futura, in Florence, saw more than 80.000 visitors and had 550 exhibition areas. It saw 250 cultural appointments, nearly 1.000 speakers, 230 animation's moments, exhibitions and laboratories. 4.000 organizations were represented in 12 sections, and there were 600 meetings of the "Borsa delle imprese responsabili"11, which saw the participation of 120 profit and non-profit organization, promoting new opportunities of green and social business. 12

On the other hand, the edition 2012 of "Fà la Cosa Giusta" – arose in Milan from a project of the "Terre di Mezzo" publishing house – it saw 67.000 visitors, 700 exhibitions, 2.500 students and 700 accredited journalists.

The social role and economic power of Solidarity Purchasing Groups, organized in networks, starts to become more than just a little, local, non-influential niche organization. And the GAS themselves started to understand it. With the slogan «not only on bread lives GAS» – it was also the title of the fourth national meeting – the networks started to widen their sphere of activity: not only food but, just to start, also cosmetic products, detergents for the house, clothes and shoes.

On 16 December 2006 there were 300 registered GAS. At this point important projects could start, in particular those concerning the textile and the energy sectors. Free managing software specific for GAS were implemented, and on Rai3<sup>13</sup> Milena Gabanelli talked about GAS in her program "Report".

2.4 From GAS to DES: the "Spiga & Madia" project

<sup>11 &</sup>quot;La Borsa delle Imprese Responsabili è uno spazio di discussione, informazione, scambio in cui le realtà imprenditoriali che operano in settori produttivi connotati da una forte attenzione per la tutela ambientale possono parlare con esperti del settore, conoscere le possibilità del mercato e stringere partnership."

http://www.fcre.it/index.php?option=com\_content&view=article&id=273:la-borsa-delle-impreseresponsabili&catid=44:eventi&Itemid=86

<sup>12</sup> www.terrafutura.it

<sup>&</sup>lt;sup>13</sup> Channel of the National Television

An important stone was laid in 2007, during the national meeting, titled: "From GAS to DES". Thus it started the official talk on DES, literally Solidarity Economy's Districts. The idea of DES seems to be the same as the commercial district's one, but there are obvious differences between them. A DES is a place in which different Solidarity Economy's realities existing in a specific area can join together in order to implement a local network's project. Moreover, a DES talks to the territory involving actors such as local administrations, local producers and category associations. So that, linking local organizations that are already working, new economic circuits are born. This is the case of little projects that are copied, shared, repeated, and reformulated in other territories. Let's look for example at the "Spiga e Madia" project. This is an experiment of short distribution chain, starting from the sowing of the wheat to the delivery of the bread. Everything happens in an area of 50 kilometres, in which DESBR114 and GAS network of Brianza are living.

Moreover "Spiga e Madia" is an attempt to change the idea of consumer as a passive figure, developing him into a co-producer. 15 The entrepreneurial risk linked to the project and its implementation, in fact, is shared among producer and consumer. Concretely, into the "Spiga e Madia" circle, the consumers plan their annual consumption (in terms of bread and flour). According to the request, the cooperative sows the wheat on a land portion in order to produce organic wheat. The consumer's group covers part of the costs that the cooperative anticipate they will incur from the sowing of the wheat. These costs are influence by the predicted yield per hectare. At this point the mutual fund risk between consumer and producer is constituted. The cooperative, finally, decides a "transparent price" which defines the wages of the producers (local producers) and includes the milling (it happens in a local, small and traditional mill) and bread-making (by local artisan bakers) costs. Finally, the GAS joining the project collect the bread and distribute it among the members.

#### 2.5 The final count up

<sup>&</sup>lt;sup>14</sup> The Solidarity Economy's District of Brianza, an area around the city of Monza

<sup>15</sup> http://des.desbri.org/spigamadia/progetto-spiga-e-madia

Coming back to the story of GAS, in 2007 "Gas Energia" was founded. This is an association between some Solidarity Purchasing Groups to buy collectively "clean energy", to sustain the local energy auto-production and to promote local initiatives supporting renewable resources. While the textile project achieves an important goal such as producing clothes which are made entirely by organic and solidarity distribution chains.

In 2008, then, Solidarity Purchasing Groups made another important step. They were in fact recognized by Financial Law<sup>16</sup>. At article one, paragraphs from 266 to 268, this law defines the GAS and states that their member-directed activities are not commercial, to Iva and direct taxation's scope.

In 2009 the national meeting took place in Sicily, and the "Sud-Sud" network promoted by G.A.S. was supported by the Solidarity Economy in the South of Italy. On 6 march 2009 the Solidarity Purchasing Groups registered were 550. Then 700, on 8 march 2010. Then 800, on 6 June 2011. Now, 25 august 2012, they are 890.

<sup>&</sup>lt;sup>16</sup> Legge 24.12.2007 n° 244, G.U. 28.12.2007

#### **PART TWO**

## Three complementary and harmonic components of GAS: people, planet, profit

In this second section I will try to describe the system of ideas that underpin the Solidarity Purchasing Groups. For this purpose I have identified three main components, namely "people", "planet" and "profit". These three words, or labels, recall the language of Corporate Social Responsibility (CSR) and in particular the Triple Bottom Line's (TBL) pillars. <sup>17</sup> However, they are considered here in a very different way.

First of all, TBL refers to three separate elements – three budget lines – united in a common narrative, but still separated from each other. On the contrary, in the case of GAS, "people", "planet" and "profit" are three components of the same natural unit. These elements are complementary and inseparable, they are a unit. Secondly, in TBL approach utilitarianism is the lowest common denominator that would bring together the three elements. This is suggested by the words "bottom line". This differs in the GAS approach. The reason is that «it is difficult to measure the planet and people accounts in the same terms as profits—that is, in terms of cash. The full cost of an oil-tanker spillage, for example, is probably immeasurable in monetary terms, as is the cost of displacing whole communities to clear forests, or the cost of depriving children of their freedom to learn in order to make them work at a young age».<sup>18</sup>

Another difference is about the purposes. In my opinion, the social, environmental and economic values cannot be considered equally the ultimate goal of CSR.

<sup>&</sup>lt;sup>17</sup> «The phrase "the triple bottom line" was first coined in 1994 by John Elkington, the founder of a British consultancy called SustainAbility. His argument was that companies should be preparing three different (and quite separate) bottom lines. One is the traditional measure of corporate profit—the "bottom line" of the profit and loss account. The second is the bottom line of a company's "people account"—a measure in some shape or form of how socially responsible an organisation has been throughout its operations. The third is the bottom line of the company's "planet" account—a measure of how environmentally responsible it has been.»

Triple Bottom Line, in "The Economist", 17 November 2009

<sup>&</sup>lt;sup>18</sup> Ibidem

However, Porter and Kramer consider CSR a win-win strategy, by which the company as stakeholders can benefit.<sup>19</sup>

Economic and social-environmental values are often considered means of achieving an intermediate goal. Depending on the different points of view and power relations however, it is subjective as to which is the driving force. In particular, CSR is an instrument in the hands of for-profit enterprises to achieve the ultimate goal of creating economic value (creating social-environmental value as an intermediate goal) in a society in which the civilian component as sensitive to CSR's values, is not strong enough, determined, prepared.<sup>20</sup> Instead, in a society where the civilian component is conscious, compact and voting significantly "with the wallet"<sup>21</sup>, CSR would be a fundamental tool in the hands of civil society in order to achieve the ultimate goal of creating social and environmental value.

Within the Solidarity Purchasing Groups, instead, "people", "planet" and "profit" are combined in a single unit. As a consequence, GAS considers the ensemble as its ultimate goal. And what's more, within the ensemble the elements coexist harmoniously, as they are united in a common deal.<sup>22</sup> Because they are mutually interconnected it is not easy to divide them into three different chapters. Such a division, therefore, must be considered as an artefact that allows us to focus on different key of interpretation.

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<sup>&</sup>lt;sup>19</sup> On the one hand, «any business that pursues its ends at the expense of the society in which it operates will find its success illusory and ultimately temporary». On the other, «no social program can rival the business sector when it comes to creating the jobs, wealth, and innovation that improve standards of living and social conditions over time». M.E. Porter, M.R. Kramer, Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility, Harvard Business Review, 01 December 2006

<sup>&</sup>lt;sup>20</sup> This scenario is the one proposed by the theory of Porter and Kramer, which identifies CSR with business opportunity for enterprises, calling it a "competitive strategy". But in my opinion this language is likely to reduce the economic, social and environmental sustainability values as means to achieve profit, and CSR as a marketing tool. «Se i consumatori sono disposti a pagare di più per il caffè eco-solidale o per la benzina meno inquinante, vendere questi prodotti non è avere una responsabilità sociale, ma un buon fiuto di mercato».

L. Zingales, L'impresa è più sociale se fa bene la sua parte, in "Il sole 24 Ore", 9 July 2008.

<sup>&</sup>lt;sup>21</sup> See: Leonardo Becchetti, Monica Di Sisto, Alberto Zoratti, Il voto nel portafoglio. Cambiare consumo e risparmio per cambiare l'economia, Ed. Il Margine, August 2008

<sup>&</sup>lt;sup>22</sup> The term harmony derives from the Greek ἀρμονία (harmonìa), meaning "joint, agreement, concord". The verb ἀρμόζω (harmozo) is linked in turn to harmos, from the verb ἀρμόζω (harmozo), "to fit together, to join".

See: T. F. Hoad, The Concise Oxford Dictionary of English Etymology in English Language Reference, Oxford University Press, July 1993

See also: Henry George Liddell, Robert Scott, Henry Stuart Jones, A Greek-English Lexicon, Oxford University Press, 1996

#### 1. People

In this first chapter we consider the internal dynamics of the Solidarity Purchasing Groups, through the relationships between their protagonists. In particular we will focus on the relationship between members and producers, and among members themselves. Then we will take into account the underlying theme of the work as a common link. Developing these themes three keywords will emerge: trust, relational and gratuitousness. The keyword "reciprocity" Is also mentioned. However this will be considered more specifically in the "profit" chapter.

Let's start by considering the relationship between members and producers. In a Solidarity Purchasing Group a direct relationship of acquaintance and mutual trust ties and unites the producer to the consumer. As Antonio Genovesi explains in a note in his Lectures on Commerce, or on Civil Economy<sup>23</sup>, "trust" – in Latin fides – literally means "rope". Thus in a GAS a strong "trust channel" ties again the ropes – totally broken by the liberal-individualistic market, which alienates and isolates its components – between those involved in it.

Moreover, this "channel" is enhanced by the fact that in a GAS the goods cease to be only a product and they become an instrument of relationship. In fact, those who are involved in a GAS – as well as being producers and consumers – show and share their faces and stories.

On the one hand, the GAS's members can know everything about the product they buy: how it was done, by whom, with what materials, etc. But also the spirit in which it was produced. Many times, in fact, the members of a GAS choose to enter into a relationship with the producers with whom they share ideas and projects.

On the other hand, the GAS can support small and local organizations penalized by the pricing policy set by large retailers. Thanks to the GAS small producers may discharge themselves, in whole or in part, from the large retail chains, which impose on them quantities and prices without taking into account their needs and

<sup>&</sup>lt;sup>23</sup> Antonio Genovesi, Lezioni di commercio o sia di economia civile, Società Tipografica dei Classici Italiani, Milano, 1765-66

capabilities. As a consequence, the producers are often forced to reduce the quality of their products and to stoop to compromise their principles and dignity.

This is the case, for example, of the footwear project "Astorflex". Small shoe factories, especially artisans, were subjected to hard competition<sup>24</sup> and blackmail of large retail chains. The need to reduce costs led these enterprises yielding to strong pressure towards delocalization, to choose poor materials and lower cost manufacturing processes. In this way they could obtain labour and materials for a lesser cost, but at the expense of the quality of the product and of the conditions of the workers.

Nevertheless some entrepreneurs, uncomfortable with this scenario, decided to try to reverse the course turning to the Solidarity Purchasing Groups. Many GAS groups joined the conversion project, and so began the first orders. Due to the success of the initiative, Astorflex has managed to create a line of products dedicated to the GAS. However alongside this line coexists another, sold in the retail stores. For this reason, much criticism has been directed at the project Astorflex, accusing it of being a clever commercial operation and little more than a marketing tool. I met Giuseppe Perinello e Fabio Travenzoli, the creators of Astorflex, they said they would like to be able to convert the entire production, but at the moment this is not possible. In any case it is a fact that, thanks to the purchase of many GAS groups, a small but significant shift has occurred. First, there has been a recovery of local production manufacturing, with important consequences for employment. Also, the recovery of local production cycle and short chain was guaranteed. Last but not least the use of raw materials and production techniques in the full respect of the environment and workers was assured.

Another important focus concerns the relationship between the members of a GAS. This is supported by two pillars: education and socialization. As a proof, the

<sup>&</sup>lt;sup>24</sup> Such a competition is guided by the Hobbesian Latin idiomatic expression *mors tua vita mea*, and not from the etymology *cum-petere*.

first chapter of the document *I GAS – un modo diverso di fare la spesa*<sup>25</sup> is dedicated to these issues. Is written in the first chapter of this document: «Di fronte al potere dilagante delle multinazionali che esercitano un forte condizionamento sulle abitudini dei consumatori, ci assale un senso di impotenza e solitudine. In questo panorama sentiamo di non poter condividere criteri di scelta poco attenti all'impatto ambientale e sociale, ma spesso risulta difficile uscire dai tradizionali e sempre piu' potenti canali distributivi per assumere decisioni autonome»<sup>26</sup>. As stated in the document the GAS is an expression of the individual need to socialize the critical choices made in everyday life. Those who participate in a GAS feel the need to confront each other, exchanging the information collected individually. What's more, these people are always looking for opportunities to learn, to improve their awareness and thus be able to manage their consumer power to the fullest. For these reasons, GAS organizes and promotes visits to the producers, briefings, laboratories, workshop, conference, etc.

In order to maintain strong and genuine relationship between the members, it is important that the size of the group does not become too large. When many families ask to join a GAS, it tends to encourage the emergence of a new group, and if that does not happen, it is unlikely that these families will be accepted into the group.<sup>27</sup> The relationships become more important than the purchase itself.

There is an underlying theme that runs through both aspects considered so far, and is the subject of work.

First, as we have said, the GAS take fully into account the quality of work of their suppliers. Indeed they are turning to those producers who make the respect for workers a key point. The strategy of a GAS is an action against the low incomes of producers, the parasitic intermediation costs, and the intrusiveness of high levels of

<sup>&</sup>lt;sup>25</sup> Written in 1999 after the first official national meeting of the GAS groups. See pag. 6

<sup>&</sup>lt;sup>26</sup> Trad: In front of the rampant power of the multinationals that have a strong conditioning power on consumer habits, assails us a sense of helplessness and loneliness. In this scenario we feel unable to share selection criteria careless of environmental and social impact, but it is often difficult to escape from the more and more powerful traditional distribution channels to take autonomous decisions.

<sup>&</sup>lt;sup>27</sup> As the Fidenza's case has shown. See pag. 6

publicity which detract from the real value of a product.<sup>28</sup> The GAS also exert pressure on the organization of work, though it is less strong and less direct than that exerted on the large retail chains.<sup>29</sup>

Second, to make a GAS run a lot of work is needed and it is provided by the voluntary work of its members. Giorgio Osti, Professor of "Sociology of the Environment and Territory" at the University of Trieste, has written an interesting article on this theme titled Consumo solidale e lavoro. Due misure per ora disgiunte di benessere<sup>30</sup>. He distinguishes the work paid in money, belonging to the regime of the contract, and the voluntary one, governed by the principle of reciprocity.<sup>31</sup> The second is the one of GAS. He states: «Il lavoro autonomo, quello del libero professionista ma anche del dipendente, procura un beneficio di proprietà del singolo individuo. Ovviamente esiste una condivisione familiare del reddito da lavoro che si esercita in genere nei consumi. Questa è rigorosamente limitata alle pareti familiari»<sup>32</sup>. In this sense, the work has a strong individual dimension. In other words, everyone plays for themselves, for their own individualized remuneration.<sup>33</sup> On the contrary, the volunteer work that takes place in a GAS belongs to a collective dimension, it takes place with gratuitousness and in proportion to the will, availability and capacity of each member.

Drawing on the beautiful definition stated by Luigino Bruni, we can describe the gratuitousness as "quell'atteggiamento che porta ad accostarsi ad ogni persona, ad ogni essere, a se stessi, sapendo che quella persona, quell'essere vivente, quell'attività, me stesso, non sono cose da usare, ma con le quali posso entrare in rapporto rispettandole e amandole». 34 That's why – he states – there is a strong link

<sup>28</sup> See: Giorgio Osti, Consumo solidale e lavoro. Due misure per ora disgiunte di benessere, in "Multiverso" n.11, 2012, pp. 28-29

Trad: Self-employment, that of the self-employed but also the one of employee, gets a benefit of ownership of the individual. Obviously there is a sharing of family income from employment which is exercised in general consumption. This is strictly limited to the family.

Trad: That attitude that leads to approach every person, every being, themselves, knowing that that person, that being, that task, myself, are not things to use, but with whom I can get in touch, respecting them and loving them.

<sup>&</sup>lt;sup>29</sup> Ibidem

<sup>30</sup> Ibidem

<sup>31</sup> Ibidem

<sup>32</sup> Ibidem

<sup>33</sup> Ibidem

<sup>&</sup>lt;sup>34</sup> Luigino Bruni, *Il prezzo della gratuità*, Ed. Città Nuova, 2006, p.44

between gratuitousness and activities made for intrinsic motivation.<sup>35</sup> Moreover, «[La cultura della gratuità] è un atteggiamento interiore, una questione di reciprocità, che parte dalla consapevolezza che non si può essere felici da soli»<sup>36</sup>. This is precisely the attitude of those who participate in a GAS, just as it was revealed by Mauro Serventi saying «This Experience was born out of the need to satisfy a necessity [...] and what's more, doing it "together"»<sup>37</sup>.

#### 2. Planet

The Solidarity Purchasing Groups have a special relationship with the environment. It is often an unconscious attitude, and therefore it is difficult to analyse it. The groups themselves do not usually talk about it, neither in their meetings nor in their networks. I think that the best way to define this relationship is to use the concept of "Environmental Justice" as defined by Martinez Alier in *Environmentalism of the poor*. A study of ecological conflicts and valuation<sup>38</sup>.

Alier distinguishes three different approaches to the environmentalism: the "cult of wilderness", backed up scientifically by conservation biology, the "gospel of ecoefficiency", whose scientific basis are industrial ecology<sup>39</sup> and environmental economics<sup>40</sup>, and "the environmental justice movement", "popular environmentalism", "the environmentalism of the poor", "livelihood ecology" and "liberation ecology", grouped together as a common current and an object of study of political ecology.

<sup>35</sup> Ibidem

<sup>&</sup>lt;sup>36</sup> Ivi, p. 45

Trad. The culture of gratuity is an attitude, a matter of reciprocity, which is the awareness that you cannot be happy alone.

<sup>&</sup>lt;sup>37</sup> See pag. 6, note 8.

<sup>&</sup>lt;sup>38</sup> Martinez Alier, Environmentalism of the poor. A study of ecological conflicts and valuation, Edward Elgar Publishing, 2002

<sup>&</sup>lt;sup>39</sup> The discipline of industrial ecology «studies "industrial metabolism", as developed both in Europe (Ayres and Ayres, 1996, 2001) and in the USA (the Yale University School of Forestry and Environmental Studies, founded under Gifford Pinchot's auspices, edits the excellent *Journal of Industrial Ecology*: a double first)».

Ivi, p. 6

<sup>&</sup>lt;sup>40</sup> (whose message is condensed into "getting the prices right" by "internalizing the externalities"» lbidem

The first current of environmentalism, the "cult of wilderness" is the preservation of the nature *uncontaminated*, the love of old-growth forests and wild rivers. Its aim is to protect the remnants of pristine natural spaces from human interference. Its main policy proposal consists of keeping nature reserves, called "national parks" or "oasis" or something similar. Finally, the reasons to preserve the nature if not scientific – Alier states – are aesthetic and religious, even utilitarian.<sup>41</sup>

The second current of environmentalism, the "gospel of eco-efficiency", is concerned with the whole economy. Their objects of interest are the environmental impacts and health risks of industrial activities, urbanization and modern agriculture. The exponents of this second current barely use the term "nature," but rather speak of "natural resources" and "natural capital" or even "environmental services". As Alier explains «[i]t is today a gospel of engineers and economists, a religion of utility and technical efficiency without a notion of the sacred." Their key concepts are the "Kuznets environmental curve", the "sustainable development", the search of win-win – economic and ecologic victories – solutions and the "ecological modernization"[NOTA: "Ecological modernization walks on two legs: one economic, eco-taxes and markets in emission permits; two, technological, support for materials- and energy- saving changes."]. "Ecology thus becomes a managerial science mopping up the ecological degradation after industrialization (Visvanathan, 1997: 37).»<sup>42</sup>

Finally the third current is the one that Alier calls, in summary, "Environmental Justice and The Environmentalism of the poor". Their protagonists are usually the weakest social groups involved in the inevitable ecological distribution conflicts. In other words, those who pay the highest price of the environmental impact that economic growth entails. These are people who, as Alier stated, often protest and resist even if they do not necessarily define themselves as ecologists.

«The main thrust of this third current is not a sacred reverence for Nature but a material interest in the environment as a source and a requirement for livelihood.

<sup>&</sup>lt;sup>41</sup> «and one [reason] may also bring into play the presumed instinct of human "biophilia" (Kellert and Wilson, 1993; Kellert, 1997)» Ivi, p. 2

<sup>&</sup>lt;sup>42</sup> Ivi, p. 6

[...] Its ethics derive from a demand for contemporary social justice among humans.»<sup>43</sup> This third current is supported by agroecology, ethnoecology, political ecology and, to some extent, by urban ecology, ecological economics and environmental sociology.

I think that the Solidarity Purchasing Groups find in this current their natural place. The GAS members, as well as the producers, and the environment coexist in a very respectful way. The environment should not be preserved from the human "contamination", as suggested by the "cult of wilderness". Furthermore, the nature is not only a "resource" to exploit, a "capital" to invest in, nor a "service" to administer, as alluded to by the "gospel of eco-efficiency". The GAS approach surpasses the dichotomy between humans and nature, because they are two complementary parts of the same natural reality.

However there are some obvious differences between the GAS and the social groups drawn by Alier as protagonists of the third current.

The first difference is a geographical one. In fact, the groups considered by Alier are located almost entirely in the so-called "South", and in particular in the poorest areas of the planet.

Consequently there is an important difference concerning the motivations for acting. Sure enough the actions carried out by GAS groups arise from very different assumptions. And this is especially true when considering the GAS members. Indeed, the will to create a group is mainly related to the need for consistency between the own values and the own daily choices. Instead, the actions of social groups mentioned by Alier are determined by far more impending material needs, which are closely tied to their survival. For example movement of peasants whose crops or pasture land have been destroyed by mines or quarries, or movements against mines or factories by communities damaged by air pollution or living downstream. «Not so much a concern with the rights of other species and of future generations of humans as a concern for today's poor humans»<sup>44</sup>.

44 Ibidem

<sup>&</sup>lt;sup>43</sup> Ivi, p. 11

On the contrary the GAS focus is not so closely linked to the present time. Rather, the GAS actions are designed in the long term, with an eye to future generations. However, often for the producers, adhering to the rules of a GAS means survival for the time being, in addition to finding a line with their values.

Consider for example the "Pesce d'Aprile" project. Pesce d'Aprile is an "Intergas", "Retina della Brianza" e "Rete Pavia" project<sup>45</sup> that leads on the GAS's tables the Tyrrhenian fish. The fisherman of Porto Santo Stefano and Talamone have practiced for generations the artisanal fisheries in the waters near the Natural Park of Maremma. They fish with non-invasive instruments such as gill nets, long lines and pots. This type of fishing is selective, due to the size of the nets, and thus ensures the respect of the norms about the seasons and the minimum size of fish. However, it is increasingly difficult to earn enough to live on with this work. In fact the modern high-tech trawlers and other forms of industrial fishing are destroying the sea floors and depleting the fish stocks.

These fisherman, foremost among them Paolo Fanciulli, have fought and are fighting every day against illegal fishing trawler inshore. Paolo began the battle against trawling more than 20 years ago, attacking the fishing boats that fished in illegal waters. Sometimes he led the Coast Guard near the big boats or came from afar with the flashing lights scaring the poachers.<sup>46</sup>

Four years ago the resistance of these fisherman met the GAS, and with the launch of the "Pesce d'Aprile" project, the Groups buy the fish and support and promote the fisherman's campaigns.

#### 3. Profit

In this third chapter we will talk about an important activity of the GAS – the "buying". That is the central letter "A" of the acronym GAS. We will return in some

<sup>&</sup>lt;sup>45</sup> Retegas, Retina della Brianza and Rete Pavia are three GAS networks. The first is the national one, the second encompass the GAS located the territory of Brianza, and the third the GAS located around the city of Pavia.

<sup>46</sup> Massimo Acanfora, Il mare in tavola, in "Altreconomia" n. 105, luglio 2009

way to the concepts seen so far, and we will begin to introduce the key-topic of the next section, which is the Civil Economy framework.

The main embodiment of the values that underpin the Solidarity Purchasing Groups is the purchasing choice, and dense commercial activities bind GAS and producers.

The Neapolitan School of Civil Economy<sup>47</sup> considered the commerce activities in relation to the social welfare, and in particular, it believed that the commerce could be considered as a "civilizing factor".<sup>48</sup>

According to Genovesi, civic life and virtues should not be opposed to each other. In contrast, civil life is seen as the place where the virtues can flourish in public happiness.<sup>49</sup> The market, conceived as a part of civil society,<sup>50</sup> is praised by Genovesi when it emerges among persons and people on the basis of mutual need in a spirit of reciprocity.<sup>51</sup>

The economic approach of GAS draws on this conception of the market. For the GAS groups, in fact, the market can become a place of civil and civilizing meetings, so it can even become a place of happiness. Genovesi says, indeed, that happiness is constituently relational. He affirms: «It is a law of the universe that one cannot make oneself happy without making others happy»<sup>52</sup>.

Therefore the significance of the GAS experience is also to demonstrate that inside the market it is possible to talk about issues like gratuitousness, reciprocity and happiness.

As Bruni states: «the market, under a very precise condition, can become an instrument which can reinforce social ties, favouring both the promotion of practices of wealth distribution through its mechanisms [...] and the creation of an economic space in which it is possible to regenerate those values (such as trust,

<sup>48</sup> Luigino Bruni, Stefano Zamagni, Civil Economy. Efficiency, Equity, Public Happiness, Peter Lang AG International Academic Publisher, Bern, 2007, p.80

<sup>&</sup>lt;sup>47</sup> See pag. 21

<sup>49</sup> Ibidem

<sup>&</sup>lt;sup>50</sup> Luigino Bruni, The Genesis and Ethos of the Market, Palgrave Macmillan, 2012, p. 125

<sup>&</sup>lt;sup>51</sup> Ivi, p. 128

<sup>&</sup>lt;sup>52</sup> Antonio Genovesi, as cited by Luigino Bruni in *The Good Life in a Technological Age*, Routledge, New York, 2012, p. 112

sympathy, benevolence on which the existence of the market itself depends)»<sup>53</sup>. The GAS give money to the producers in exchange for goods, but share with them a long path and strong values. The relationship that binds them together is much more than the impersonal one that today normally exists between the producer and the consumer, the supplier and the customer. In this way the economic exchange of equivalents becomes at the same time exchange of ideas, expertise and mutual help. The market in this case is centred on the principle of reciprocity. And as a consequence, we can say that the GAS are to some extent "producers of fraternity." In fact, as Zamagni states, «let me ask, what is the ultimate purpose of reciprocity principle? The ultimate purpose is fraternity. [...] Reciprocity is the principle which allows a society to recognize the link of fraternity among its own members»<sup>54</sup>.

I think that it is significant, in this context, to return to the web page dedicated by Intergas to the "Pesce d'Aprile" project.

Here the "costumers" describe in this way the "suppliers": «Li abbiamo incontrati e conosciuti, i pescatori di Porto Santo Stefano e Talamone: Danilo, Bruno, Vinicio, Stefano, Roberto, Pietrino e Paolo, artigiani del mare, pescatori esperti, caratteri forti, uomini schivi e generosi. Hanno iniziato con i GAS una bella avventura: un rapporto innovativo e chiaro basato sulla fiducia reciproca in un settore, quello della pesca, spesso contraddistinto da poca trasparenza e speculazione». <sup>55</sup> And talking about the commitment of fisherman against illegal fishing inshore trawl, they say: «una battaglia che da adesso in poi avrà un alleato in più, un... "Pesce d'Aprile" grande tanto quanto è grande l'entusiasmo dei "gasisti" che partecipano a questa avventura.» <sup>56</sup>

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<sup>&</sup>lt;sup>53</sup> Luigino Bruni, The Economy of Communion: Toward a Multi-Dimensional Economic Culture, New City Press, New York, 2002, pp. 139,140.

<sup>54</sup> Stefano Zamagni, The Civil Market: Medieval Franciscan Ideas to Solve 21st Century Economic Problems, in "Clemens Lecture Series", Saint John's University, n. 21, 2009, p. 2

<sup>55</sup> http://www.gasmilano.org/?pag=progetto&id\_progetto=1

Trad: We have met and known the fisherman of Porto Santo Stefano and Talamone: Danilo, Bruno, Vinicio, Stefano, Roberto, Pietrino and Paolo. They are craftsmen sea anglers, strong characters, men shy and generous. They started with the GAS a great adventure: a clear and innovative relationship based on mutual trust in an industry, fisheries, often characterized by lack of transparency and speculation.

<sup>56</sup> Ibidem

Trad: this is a battle that from now on will have an ally in addition, a ... "April Fools" as great as great is the enthusiasm of the GAS members participating in this adventure.

#### **PART THREE**

### GAS in the Civil Economy framework

In the previous chapters we have defined what a GAS is and we have followed the main stages of its history. We then further considered the values that underline it. In this last section we will try to explore in more detail the experience of GAS from the perspective of Civil Economy. The next chapter briefly recalls the roots of civil Economy. Then we will try to explain some reasons why the Civil Economy perspective is brought into the contemporary attention. Finally, in chapter two we will look at the GAS experience in relation to the Civil Economy, demonstrating how the first can be defined as a laboratory of the second.

#### 1. The roots and the rebirth of Civil Economy

The Civil Economy perspective, deeply rooted in Humanism and Italian Enlightenment, was born in the mid-eighteenth century, when economists such as Adam Smith and Antonio Genovesi «tried to reconcile, each in his own way, the classical tradition of Civic Humanism with the emerging commercial society»<sup>57</sup>. The "golden age" of Civil Humanism, in Tuscany, in the first half of the Quattrocento, saw protagonists such as Coluccio Salutati, Poggio Bracciolini, Leonardo Bruni, Leon Battista Alberti, San Bernardino from Siena, Matteo Palmieri. Three hundred years later, during the Italian Enlightenment, the theme of Public Happiness and the "civic soul" were rediscovered. People such as Cesare Beccaria, Giandomenico Romagnosi and Pietro Verri rose to prominence in Milan, while the Neapolitan School of Civil Economy comes with the rise of Antonio Genovesi, Ferdinando Galiani, Giacinto Dragonetti and Gianbattista Vico, among many. In particular, Genovesi was the leading economist and philosopher in the Neapolitan school. "Civil Economy" was «his expression to describe a notion of the

<sup>&</sup>lt;sup>57</sup> Luigino Bruni, Civil Happiness, Economics and human flourishing in historical perspective, Ed. Routledge, 2006, p. 2

economic activity where civil virtues of reciprocity, shared trust and mutual confidence were essential for the development of a nation»<sup>58</sup>. In the Civil Economy approach, in fact, the market can become a tool for civil virtue, a place for developing genuine relationships and a substantial asset for economic development.

Nevertheless, the Civil Economy tradition does not remain merely an Italian affair. In fact, up until the first decades of the twentieth century, it had a certain flourishing also in Great Britain.<sup>59</sup> «It is common knowledge that Smith regards the market as a place for civil and human development, where people trade in horizontal relationships among equals. Furthermore, for Smith and the other masters of Scottish Enlightenment, such as Hutcheson and Ferguson, the market sets up the preconditions for experiencing free and disinterested human relationships from which true friendships – and other relational goods – can develop and flourish. Markets, in fact, make it possible to transcend the feudal logic of ally-enemy or master-slave relations. Commercial society sets up preconditions for equality, without which true friendship is impossible.»<sup>60</sup>

In the first half of the nineteenth century the Civil Economy perspective began to disappear from scientific research and from political and cultural discourse. There are many different reasons explaining this collapse, however the main causes were the spread of Jeremy Bentham's utilitarian philosophy, the industrial revolution and the establishment of industrial society.

Nevertheless, in the last twenty years the civil vision of the market and of the economy in general re-emerged from oblivion. This phenomenon could be explained by different factors, here we are going to delve into three of them.

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<sup>58</sup> Piercarlo Maggiolini, Krysnaia Naini, Ethical Meaning of the Re-emerging Thought about "Civil Economy" in Italy, Dipartimento di Ingenieria Gestionale Politecnico di Milano http://www.eben-spain.org/docs/Papeles/XV/MaggioliniNanini.pdf

<sup>&</sup>lt;sup>59</sup> Luigino Bruni, Stefano Zamagni, Civil Economy. Efficiency, Equity, Public Happiness, Op. cit. pag. 19, p. 101

<sup>60</sup> Ivi, p. 102

<sup>&</sup>lt;sup>61</sup> Stefano Zamagni, Catholic Social Thought, Civil Economy and the Spirit of Capitalism, in http://www.ordosocialis.de/pdf/Zamagni/CATHOLIC%20SOCIAL%20THOUGHT.pdf

The first one arose from the return of the word "happiness" in contemporary economics and social sciences. In particular, the retrieving of the Aristotelian tradition of happiness as *eudaimonia* regained dignity at the principles of reciprocity.

Let's consider this argument in more depth. In the 1970's the issue of happiness reappeared in the economic discipline thanks to Richard Easterlin and his Happiness Paradox, so called "Easterlin Happiness Paradox". It shows that «at a point in time happiness varies directly with income, but over time happiness does not increase when a country's income increases»<sup>62</sup>. Slowly but surely, it has become evident that happiness doesn't lie as much in the income, but rather in non-instrumental interpersonal relations, the so called "relational goods"<sup>63</sup>. In other words, while the utility (relation between people and things) depends on the income function, happiness (relation among people) depends on relational goods. The Easterlin Happiness Paradox de-legitimizes the capitalist system, which takes its justification from the idea that income and happiness have been growing up together.

To go into these concepts in more depth we need to consider the Aristotelian tradition of happiness as *eudaimonia*. This is relevant because in the eudaimonian tradition the "relational goods" have an intrinsic value.<sup>64</sup> Explaining the Greek

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<sup>&</sup>lt;sup>62</sup> Richard A. Easterlin, Laura Angelescu, Happiness and Growth the World Over: Time Series Evidence on the Happiness-Income Paradox, IZA Discussion Paper Num. 4060, Bonn, March 2009, p. 2

<sup>&</sup>lt;sup>63</sup> I think it is useful to quote an entire passage which describes very well the relational goods. It is taken by Lionel Prouteau, François-Charles Wolff, Relational Goods and Associational Participation, in "Annals of Public and Cooperative Economics", 75:3, 2004, p. 436.

<sup>«</sup>Relational goods are intangible outputs of a communicative and affective nature, produced through interactions (Gui, 2000). [...] Two characteristics of these particular outputs stand out. First, they are local public goods, that is they are non rival and non exclusive for the protagonists. On the other hand, they are different from traditional public goods since production and consumption are simultaneous and joint (Ulhaner, 1989; Sacco and Vanin, 2000). People cannot enjoy the advantage of a relational good without participating in its production. It makes no sense to consume a relation alone. Consequently, relational goods are not exposed to the free rider problem in the academic way. Second, contributions to their production depend on mutual agreement among individuals (Uhlaner, 1989). Goodwill is a necessary ingredient. Relational goods can neither be bought, nor imposed. In essence, they are nor contractual (Gui, 2000), but they are undoubtedly based upon reciprocity (Uhlaner, 1989; Sacco and Vanin, 2000).»

<sup>64 «</sup>Whilst the kind of sociality present in the main theories of happiness is basically positional, the Aristotelian tradition reminds us that there are forms of social interactions that have an intrinsic value and that lead to happiness only if and when this intrinsic value is acknowledged.»

Luigino Bruni, The happiness of sociality. Economics and eudaimonia: A necessary encounter, in "Rationality and Society", 22 (4), 2000, p. 394

expression for "happiness" with Aristotle's words, eudaimonia is «the highest of all goods achievable by action»<sup>65</sup>. It is and end (which is in itself worthy of pursuit more final than that which is worthy of pursuit for the sake of something else...for this we choose always for self and never for the sake of something else»66. As a consequence, neither wealth nor health can ever be final ends, but instruments for living a good life.<sup>67</sup> Moreover, (for Aristotle [...] there is an intrinsic value in relational and civil life, without which human life does not fully flourish»68. «Therefore relational goods have intrinsic value, are part of eudaimonia. Because they are made of relationships, 'relational goods' can be enjoyed only in reciprocity»<sup>69</sup>. There is an important passage in Aristotle's Nicomachean Ethics, which shows the intrinsic value of relational goods: «Surely it is strange, too, to make the supremely happy man a solitary; for no one would choose the whole world on condition of being alone, since man is a political creature and one whose nature is to live with others. Therefore even the happy man lives with others; for he has the things that are by nature good. And plainly it is better to spend his days with friends and good men than with strangers or any chance persons. Therefore the happy man needs friends»<sup>70</sup>.

The second reason why the Civil Economy perspective re-acquired its legitimacy could be found in Elinor Ostrom's solution to the problem of governing the commons, in other words the problem of collectively managing shared resources. In Governing the Commons Elinor Ostrom brings into question the dominant models – either the tragedy of the commons, or the prisoner's dilemma, or the logic of collective action – to solve the problem of the commons. She contested in particular the "only way" approach. According to Ostrom, these models are not necessarily wrong but inadequate, as the conditions under which they hold are very particular. In fact, they are strictly based on the free-rider problem so that

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<sup>&</sup>lt;sup>65</sup> Aristotle, *Nicomachean Ethics*, Translated by W. D. Ross, Oxford University Press, Oxford, 2009, Book I, Chapter 4

<sup>66</sup> Ivi, Book I, Chapter 7

<sup>&</sup>lt;sup>67</sup> Luigino Bruni, The happiness of sociality. Economics and eudaimonia: A necessary encounter, Op. cit. pag. 23, p. 392

<sup>&</sup>lt;sup>68</sup> Ivi, p. 394

<sup>69</sup> Ibidem

<sup>&</sup>lt;sup>70</sup> Aristotle, Nicomachean Ethics, Op. cit. pag. 23, Book IX, Chapter 9

they apply only when there are big differences in interests between individual resource users and the users collectively, and in particular when the individual acts against the best interest of the collectivity. As Ostrom states, «what one can observe in the world [...] is that neither the state nor the market is uniformly successful in enabling individuals to sustain long-term, productive use of natural resource systems. Further, communities of individuals have relied on institutions resembling neither the state nor the market to govern some resource systems with reasonable degrees of success over long period of time.»<sup>71</sup>

Starting from empirical case studies Ostrom explains how different communities could avoid conflicts on commons, for example avoiding their overinvestment and overuse. Different communities designed cooperative institutions that are organized and governed by the resource users themselves thanks to mutual trust, capacity to communicate and to enter into binding agreements. «When local users of a forest have a long-term perspective, they are more likely to monitor each other's use of the land, developing rules for behaviour, she cites as an example. It is an area that standard market theory does not touch»<sup>72</sup>.

In the end, according to Ostrom, the problem of governing the commons could not be solved by private nor public models, but by reciprocity practices. For this reason the Civil Economy perspective is given new life.

The third reason is a "negative" one. After the disappearance of Civil Economy perspective in general, and civil market vision in particular, two opposed concepts of the market were established: one is well-known as Germany's social market economy, and it sees the market as a "necessary evil". This first vision is based on State intervention in economy, and has its central aim in the fight against inequality through income redistribution.<sup>73</sup> The other sees the liberal-individualistic market as the "one best way," an ideal-typical place for solving problem of politics.<sup>74</sup> This second vision believes that the State's role in economy should be

<sup>&</sup>lt;sup>71</sup> Elinor Ostrom, Governing the Commons. The Evolution of Institution for Collective Action, Cambridge University Press, 1990, p. 1

<sup>&</sup>lt;sup>72</sup> Jay Walljasper, The Victory of the Commons, in "On the Commons", 13 October 2009

<sup>&</sup>lt;sup>73</sup> Stefano Zamagni, Catholic Social Thought, Civil Economy and the Spirit of Capitalism, Op. cit. pag. 22, p. 16

<sup>&</sup>lt;sup>74</sup> Ibidem

minimum. This simply because "a rising tide raises all the boats" or, metaphors aside, because "the logic of the (non civil) market increases everyone's welfare" welfare "to the words, this line of thought states that citizen's welfare depends on economic prosperity, on market relations and, in the end, on the flourishing of the market culture.

Nevertheless, in the last twenty years and especially with the beginning of the actual crisis, the inappropriateness and the insufficiency of both of these two conceptions of the market became evident. First of all, where the State has intervened massively in the economy, inequality between individual and social groups have increased enormously.<sup>76</sup> «The fact is that political stability is an objective that cannot be attained, within the current model of democracy [...], by measures to reduce inequality but by economic growth. The endurance and reputation of democratic governments are determined much more by their ability to increase total wealth than to redistribute it fairly among citizens. [...] So if we want to combat the endemic increase in inequality as a threat to peace and democracy, we must act primarily on the production of wealth and income, not only its redistribution»<sup>77</sup>. The redistribution cannot be an exclusive duty of the State. Considering now the second conception of the market, we can simply observe that their dogma are false. «Economic growth (i.e. the sustained increase in wealth) and civil progress (i.e. the expansion of the spheres of personal liberty) no longer march together. In other words, the increase in material welfare is no longer accompanied by that in well-being»<sup>78</sup>.

As a consequence of this double failure, the civil approach to the market could count on a comparative advantage.

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<sup>75</sup> Ibidem

<sup>76</sup> Ibidem

<sup>77</sup> Ibidem

<sup>&</sup>lt;sup>78</sup> Ivi, p. 17

#### 2. Why GAS are Civil Economy's laboratories?

At this point of the writing it is not difficult to understand why the GAS can be defined as "Civil Economy's labs". In this final chapter we will try to draw together the threads of this topic. Summarizing as considered so far, we will highlight the points of contact between the GAS experience and the Civil Economy perspective.

First, we observe that the grammar of both GAS and Civil Economy is often the same. Bruni and Zamagni, in their Civil Economy. Efficiency, Equity, Public Happiness<sup>79</sup>, identified the keywords of Civil Economy<sup>80</sup>. Commerce, trust, reciprocity and happiness are eloquent examples of words belonging, at the same time, to the grammar of the GAS. In fact, we see that these are the same that we used so far to describe the Solidarity Purchasing Groups. We will not linger on these keywords as they have already been analyzed above. Instead, we will focus a little more on the words "interest" and "becoming civilized". Moving away a little from the interpretation of Bruni and Zamagni, let's see how these last words are part of the grammar of the GAS.

We start by looking at the word "interest". Between producer and consumer, as we have seen, there is a commonality of purpose or, we might say, of ultimate interest. In fact, passing through intermediate-selfish objectives (such as stay healthy or don't lose the job) both parties aim to build the common good. We do not think that, in this case, the common interest is an unintentional result of intentional selfish passions, as the theory of "heterogenesis of ends" would suggest<sup>81</sup>. Instead we would like to believe that within the GAS a conscious and deliberate community of interests does really exist.

Consider then the words "becoming civilized". The GAS sustain in a very concrete way a network of people with a great sense of civic duty. And what's more, they also feed it, bringing many people to commit themselves. The GAS and those who

<sup>&</sup>lt;sup>79</sup> Luigino Bruni, Stefano Zamagni, *Civil Economy. Efficiency, Equity, Public Happiness*, Op. cit. pag. 19

<sup>80</sup> Ivi, p. 80

<sup>81</sup> See: Ivi, p. 82

participate in it, then, take attitudes and good behavior with respect to different commons. Well then, it is possible to talk about a very positive educational appraisal of the GAS.<sup>82</sup>

The persons who approach the GAS experience the possibility of a substantial change. This is not immediately visible in the long run, but certainly in the short term. That is, in their own style of consumption and life, and in the help given to the producers. As we have seen, some producers may have vital help from the GAS. Finally, others are also common words, such as *fraternity*, *gratuitousness*, *relationality*.

Secondly, we observe the same ethical matrix for both GAS and Civil Economy. The cultural assumption of both is the Ethics of Virtues, as elaborated by Aristotle. This affirms the primacy of good over true and fair. Accordingly the values of true and fair are directed to the good's one. The Ethics of Virtues is an ethic in a "first person".83 This means that it deals with human behavior from the point of view of the agent subject.84 In other words, the behavior is considered as designed and built by the agent subject.85 It is different then from the ethics in a "third person".86 In fact, the latter studies the identification of the rules that govern the human action, but regardless of the acting subject.87 «La virtù, nel senso dell'areté aristotelica, è quella disposizione temperamentale che soddisfa due condizioni, entrambe necessarie: l'una è lo sforzo, il sacrificio che si deve essere disposti a compiere; l'altra è che dall'azione virtuosa deve derivare un'utilità sociale, un contributo alla creazione del bene comune.»88

Thirdly, the subjects operating in the market have in both cases the typical motivational structure of homo reciprocans, and not of homo oeconomicus. And

<sup>&</sup>lt;sup>82</sup> Giorgio Osti, Consumo solidale e lavoro. Due misure per ora disgiunte di benessere, Op. cit. pag. 15

<sup>&</sup>lt;sup>83</sup> Stefano Zamagni, Perché ritornare a Giacinto Dragonetti, "Aiccon" Working Paper n.79, Octubre 2010, p. 10

<sup>84</sup> Ibidem

<sup>85</sup> Ibidem

<sup>86</sup> Ibidem

<sup>87</sup> Ibidem

<sup>88</sup> Ibidem

what's more, as mentioned above, the GAS do not only consist of homines reciprocans. In fact, with their activities they also form homines reciprocans, making an important process of civilization and education. The GAS, then, represent the overcoming of the so-called "conventional wisdom" according to which all economic agents would be moved to action by a motivational orientation that is egocentrical and self-interested. In the end, the GAS are the proof that the disposition to self-interest does not describe the entire universe of economic agents.

Finally, we consider a GAS hallmark that also reflects the identity of the subjects of Civil Economy, as defined by Bruni and Zamagni. This is the production of relational goods. As we have seen, these goods do not have a market price that reflects their social value (although this doesn't mean that they haven't an economic value). The anthropologic assumption to which they adhere is different from the individualistic one, and instead is focused on the principle of reciprocity. The specific aim of the civil economy's subjects, and also of the GAS, is thus to generate relational practices, and more specifically, to create social relations through the activity of production of goods and services.

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<sup>&</sup>lt;sup>89</sup> Stefano Zamagni, intervista di Nicola Curci, Economia ed Etica. La crisi e la sfida dell'economia civile, Ed. La Scuola, Brescia, 2009, p. 63

<sup>&</sup>lt;sup>90</sup> Luigino Bruni, Stefano Zamagni, *Civil Economy. Efficiency, Equity, Public Happiness*, Op. cit. pag. 19, pp. 159-196

#### Conclusion

In conclusion, we can argue that the Solidarity Purchasing Groups are an expression of the resurgence of interest in the Civil Economy. However the GAS members are often unaware of this: probably most of them have never heard, for example, about the Neapolitan School of Civil Economy. Nevertheless, if a GAS member happens to read *Lecture on Commerce*, or on Civil Economy, he would in all probability find himself in agreement with most of what Genovesi wrote.

What has been demonstrated in this paper is that the values of GAS and those of Civil Economy are often very similar. Moreover, it has been shown in practice how one can have the experience of human sociality within an economic life, and not outside of, or beside it. As a matter of fact, the market is seen by both as a potentially important aspect of the public sphere. Thus the market returns to be "mezzo per rafforzare il vincolo sociale attraverso la promozione sia di pratiche di distribuzione della ricchezza che si servono dei suoi meccanismi per raggiungere l'equità, sia di uno spazio economico in cui i cittadini che liberamente lo scelgono possono mettere in atto, e dunque rigenerare, quei valori (quali reciprocità, fiducia, simpatia) senza i quali il mercato stesso non potrebbe esistere a lungo"91. Today the choice is no longer between the market economy and the planned economy, but within a market economy is a choice between the capitalistic or civic market. The Solidarity Purchasing Groups – according to their potential to create sound relational practices, to enhance the fraternity in a community, to generate virtuous environmental behaviours and to regenerate the market social power – have definitely chosen to take this second route. Will this be the way of the future?

<sup>&</sup>lt;sup>91</sup> Stefano Zamagni, Gratuità e agire economico: il senso del volontariato, "Aiccon" Working Paper n.9, March 2005, p.13

Trad: means to strengthen the social bond, through the promotion of both wealth distribution practice that use its mechanisms to achieve equity, and economic space in which citizens that freely choose it can implement, and thus regenerate, those values (such as reciprocity, trust, sympathy) without which the market itself could not for long exist.

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