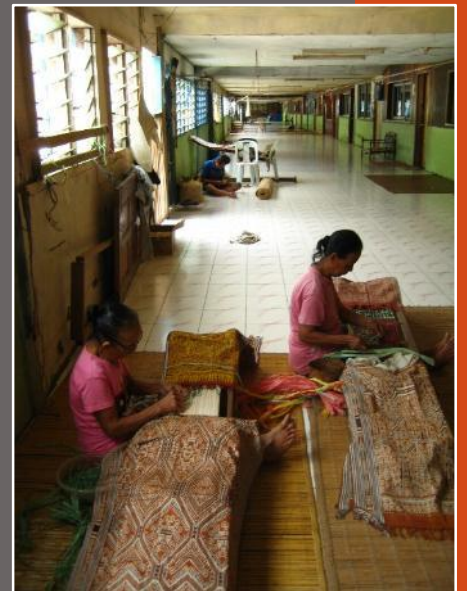


# The social solidarity economy and job creation: A study of ikat textile weaving in Sarawak, Malaysia and West Kalimantan, Indonesia

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# Introduction

- Within the framework of the Sustainable Developmental Goals, when considering job creation, there is a need to talk about what these jobs are in turn producing.
- In the same vein, the Social and Solidarity Economy (SSE) movement proposes an alternative growth model.
  - Provision of jobs while addressing the problems of environmental destruction and social inequality
  - An economy where economic activities takes into account social and ethical dimensions, participation and democracy, work over capital, and the satisfaction of needs rather than profit maximisation.

# Social Solidarity Economy (SSE)

- An agenda popularised by the World Social Forum in the late 1990s.
- The Intercontinental Network for the Promotion of the Social Solidarity Economy (RIPESS) is a transcontinental network that advocates SSE globally.
- SSE is “an alternative to capitalism and other authoritarian, state-dominated economic systems” (Quiñones. 2015).
- The umbrella term includes cooperatives, mutual benefit organisations, non-governmental organisations (NGOs), foundations, producer self-help groups, fair trade networks, social enterprises and existing organisations that produce goods, services and knowledge while pursuing economic and social aims, fostering community solidarity (Henceforth referred to as Social Economy Organisations (SEOs)).

# Social Solidarity Economy (SSE)

- UNRISD, the ILO, and the UN Non-Governmental Liaison Service (UN-NGLS) - formation of the United Nations Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) in September 2013.
- The UNTFSSSE supports the SSE as an approach for the integrated implementation of the SDGs.
  - involves 19 UN agencies, international NGOs and 7 associations of SSE networks, including the OECD.
  - Social and Solidarity Economy Academy, an interregional training programme for exchanges on experiences working in the SSE.

# Social Solidarity Economy (SSE)

- Limit data available but it shows significant scaling up of SSE activities.
- UNTFSSSE (2014):
  - Worldwide, cooperatives provide 100 million jobs (20% more than multinational enterprises).
  - Preliminary results from the Global Census on Cooperatives of UN DESA indicates that globally there are 761,221 cooperatives and mutual associations with 813.5 million members, 6.9 million employees, USD 18.8 trillion in assets and USD 2.4 trillion in annual gross revenue.
  - In 2010 such organizations employed 8.6 million people. They account for over 4% of GDP and their membership comprises 50% of the citizens of the European Union.
  - In Brazil, more than 3 million people work associatively in SSE initiatives, according to the second national SSE census concluded in 2014. Cooperatives in Argentina, Brazil, Indonesia and Kenya employ between 250,000 and 300,000 people in each country.

# Social Solidarity Economy (SSE)

- Lack of acknowledgement and engagement by mainstream economics and academia.
- Written work on SSEs are often reports by organisations instead of academic theses.
- SSE and the Future of Work (ILO, 2017, p.iii):
  - “The analysis shows that SSE organisations can indeed help create and preserve employment in traditional sectors and promote decent work by providing quality and stable jobs, facilitating women’s entry into the labour force, integrating disadvantaged workers and helping the transition from informal to formal employment.”

# Research Question

- Laville, Lévesque, and Mendell (2006, p. 180):
  - “the institutional context, the dynamism of social movements and their capacity to forge favourable alliances are decisive factors influencing the relative size and dynamism of the social economy in any given society.”

What are the roles played by SEOs in driving growth and creating jobs?

- Two case studies are chosen: ikat weaving cottage industry in Sarawak, Malaysia and in Kalimantan, Indonesia.
- These two cottage industries produce handwoven ikat textiles which are similar in colour and in design. The knowledge of creating natural dyes and weaving is indigenous knowledge held by the Dayak people who live in both countries.
- The Desa Dayak in Kalimantan and the Iban (also known as Land Dayak) in Sarawak share common ancestors who migrated from the heart of Kalimantan northwards into modern-day Sarawak, bringing their cultural practices, rituals and beliefs.

# Research objectives

1. To examine the roles played by SEOs in driving growth and creating jobs.
2. To analyse the relations between the SEOs and other state and market actors.
3. To explore the impact of local institutional contexts on the effectiveness of SEO initiatives.



# Sarawak and West Kalimantan



# Research Background

- While ikat weaving in Sarawak has been continuous from the pre-state era until after colonial rule, ikat weaving in Kalimantan almost stopped completely due to the introduction of Christianity to the indigenous peoples.
- Ikat textiles and especially the 'pua kumbu' were seen as conduits for pagan worship and the villagers were encouraged to destroy their textiles.
- However, over the past several decades, there has been increasing attention on the need to preserve the cultural heritage of the Dayaks and cultivate the indigenous knowledge to provide livelihood opportunities.
- In both Sarawak and Kalimantan, there has been multiple efforts by different key actors from the government to businesses to SEOs to further develop the commercial production of ikat textiles, with varying outcomes.

# Conceptual Framework – Embedded Interdependence

Literature on how relationships can drive economic growth.

- Granovetter (1985) - market interaction is embedded in social relationships, following from the work of Polanyi (1975). Economic actors or firms are politically and socially embedded; they can base economic action on rationality or use it instrumentally by aiming to gain “sociability, approval, status and power”.
- Evans (1995) - Developmental outcomes depend on the character of state structures and the roles that states pursue. Successful state actors are those who manage the conflicting pulls of “embedded autonomy”, providing the underlying structural basis for state involvement in industrial transformation.
- Weiss (1998) - State capacity comes from more than embedded autonomy between a possibly authoritarian state and the industrial business community, it is a form of infrastructural, not coercive, power to reach society and deliver things, a “governed interdependence” between the bureaucracy and the industrial sector for transformative success.

# Conceptual Framework – Embedded Interdependence

- The “interdependence” between actors in this study can be characterised in two ways. The first characteristic is the overlap or intersectionality of the roles of state, market and societal actors. The second characteristic is the interwoven nature of relations between the key actors, where development can be governed by the state or non-state actors such as SEOs.
- All actors are embedded in social norms. What are the norms that govern ikat weaving? Why are “social-minded” elites including SEOs invested in the development of ikat weaving when it does not provide the monetary reward that other more lucrative sectors can bring?
- To understand societal norms of Borneo, the work of Mauss (1950) brings interesting insights.

# Embeddedness in the Gift Economy

- When studying archaic societies, Mauss (1950) observed the concept of the “gift”.
- System of total services - the exchange of goods, wealth, acts of kindness, festivals, persons and more as a collective action between clans or families. While these total services and counter-services were seen as voluntary gifts, in actuality they were strictly compulsory.
- Mauss noted the importance of moral and religious reason apparent in Polynesia, which includes Borneo. Conversely there is an obligation to receive, for example to enter into trading or to contract alliances. “The Dayaks have even developed a whole system of law and morality based upon the duty one has not to fail to share in the meal at which one is present or that one has seen in preparation.” (Mauss, 2002, p.17)
- Based on this system, Mauss hypothesised that people who are comparatively rich, particularly Polynesians, has known how to (and still does know how to) exchange things of great value (what he called “purely irrational expenditure”) for different reasons than allowed for under the modern utilitarian market system.

**“Perhaps by studying these obscure aspects of social life we shall succeed in throwing a little light upon the path that our nations must follow, both in their morality and in their economy.”**

# Methodology

- Qualitative research – ethnography, semi-structured interviews, participant observation.
- Analytical strategies of the case study method and value chain analysis.
- The key actors are identified based on their participation in or contribution to the development of the ikat textile value chains in the respective places, and informants are selected based on the snowball and purposive methods.
- Primary data is collected via field research through semi-structured interviews and participant observation in Sibu and Kapit in Sarawak, from 2014 to 2017.
- A field trip to Pontianak and Sintang in West Kalimantan is in the plans.
- This study compares and contrasts the developmental trajectory of the two cottage industries by tracing the key actors involved in the value chains, and the local political and economic contexts of Sarawak, Malaysia and Kalimantan in Indonesia.

**Rumah Garie (Rh Garie), where a key weaving community lives in Sarawak.**



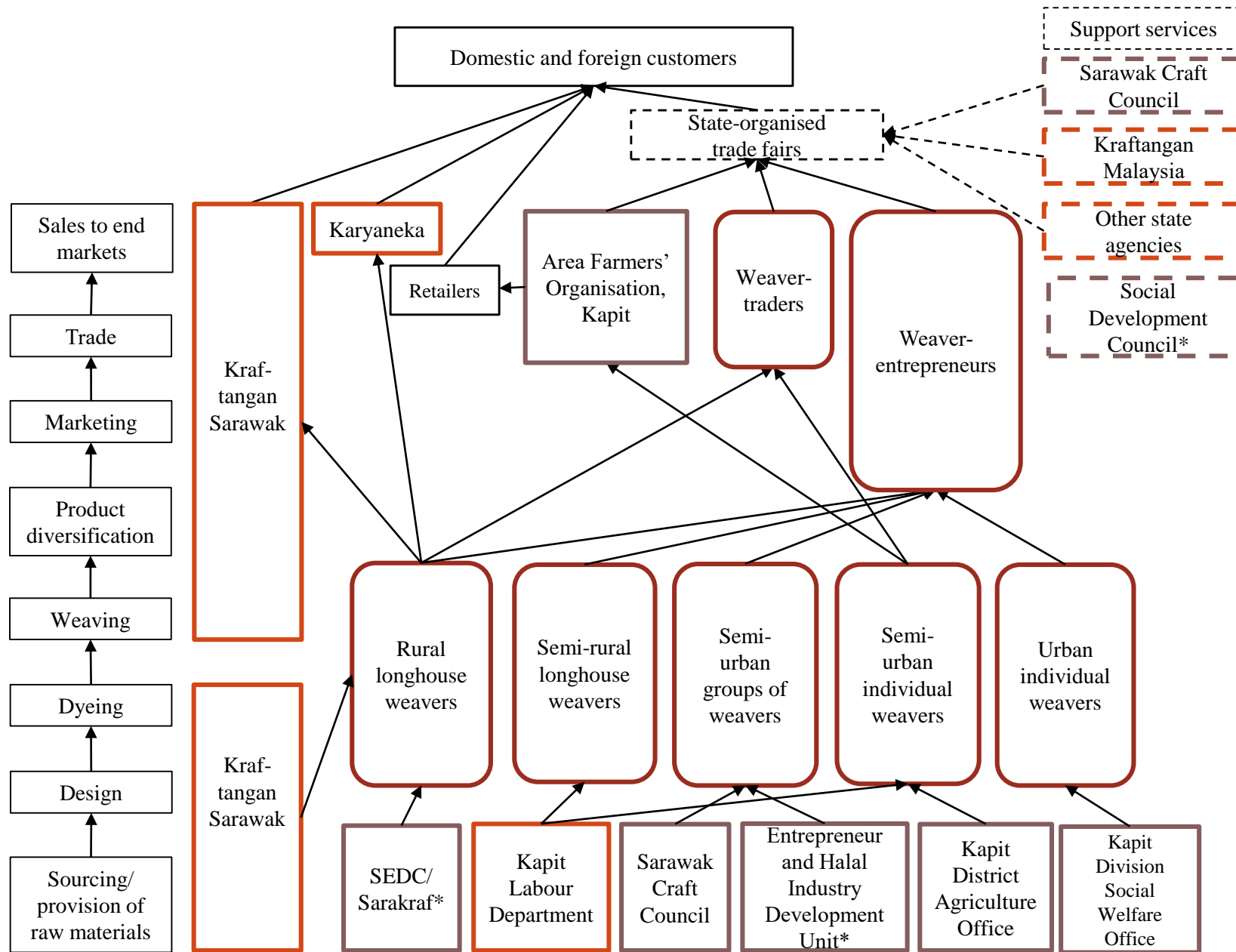


## Kapit town to Rumah Garie:

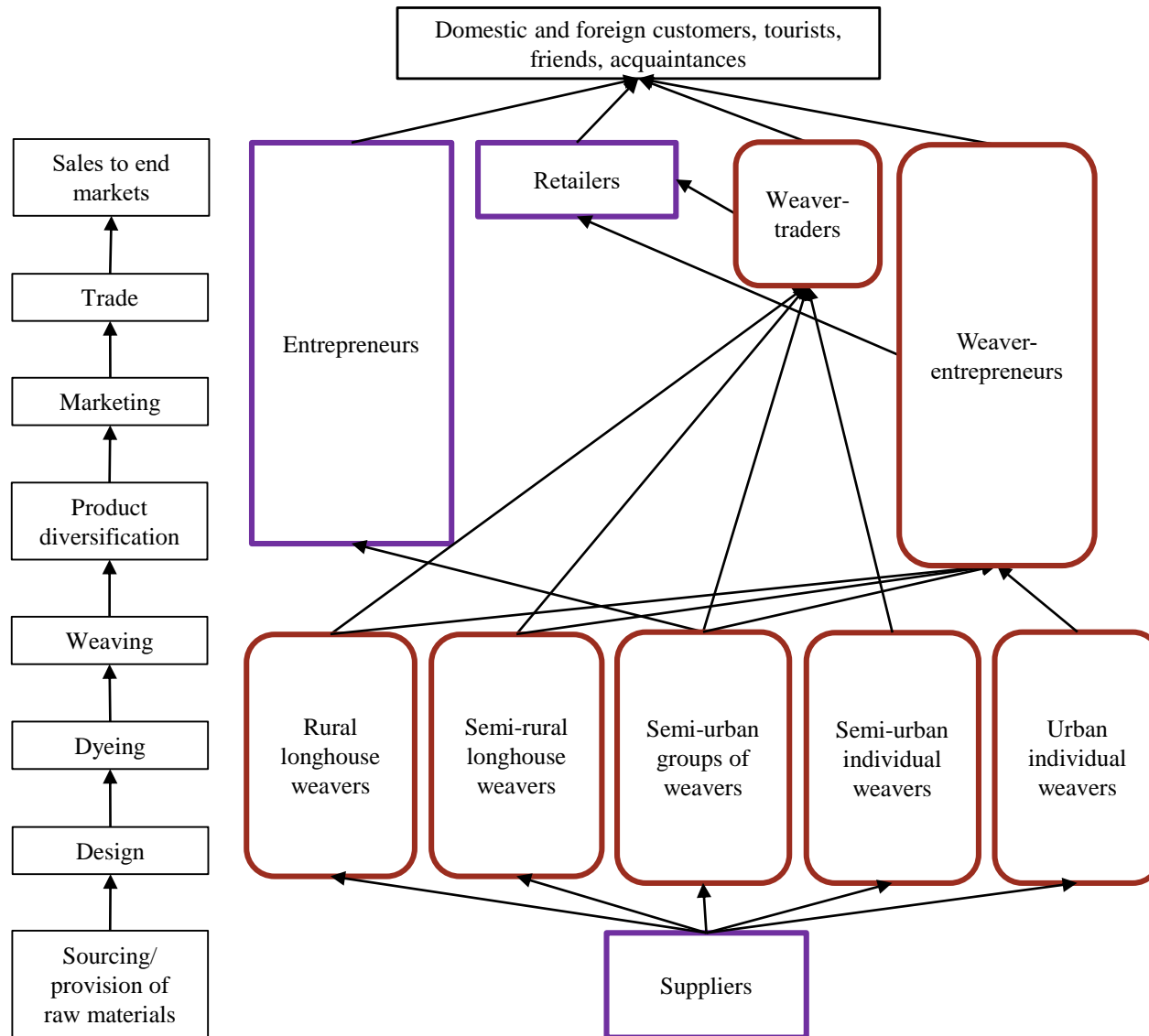
- 4 hours by express boat and longboat (or)
- 2.5 hours by 4-wheel drive vehicles through logging roads



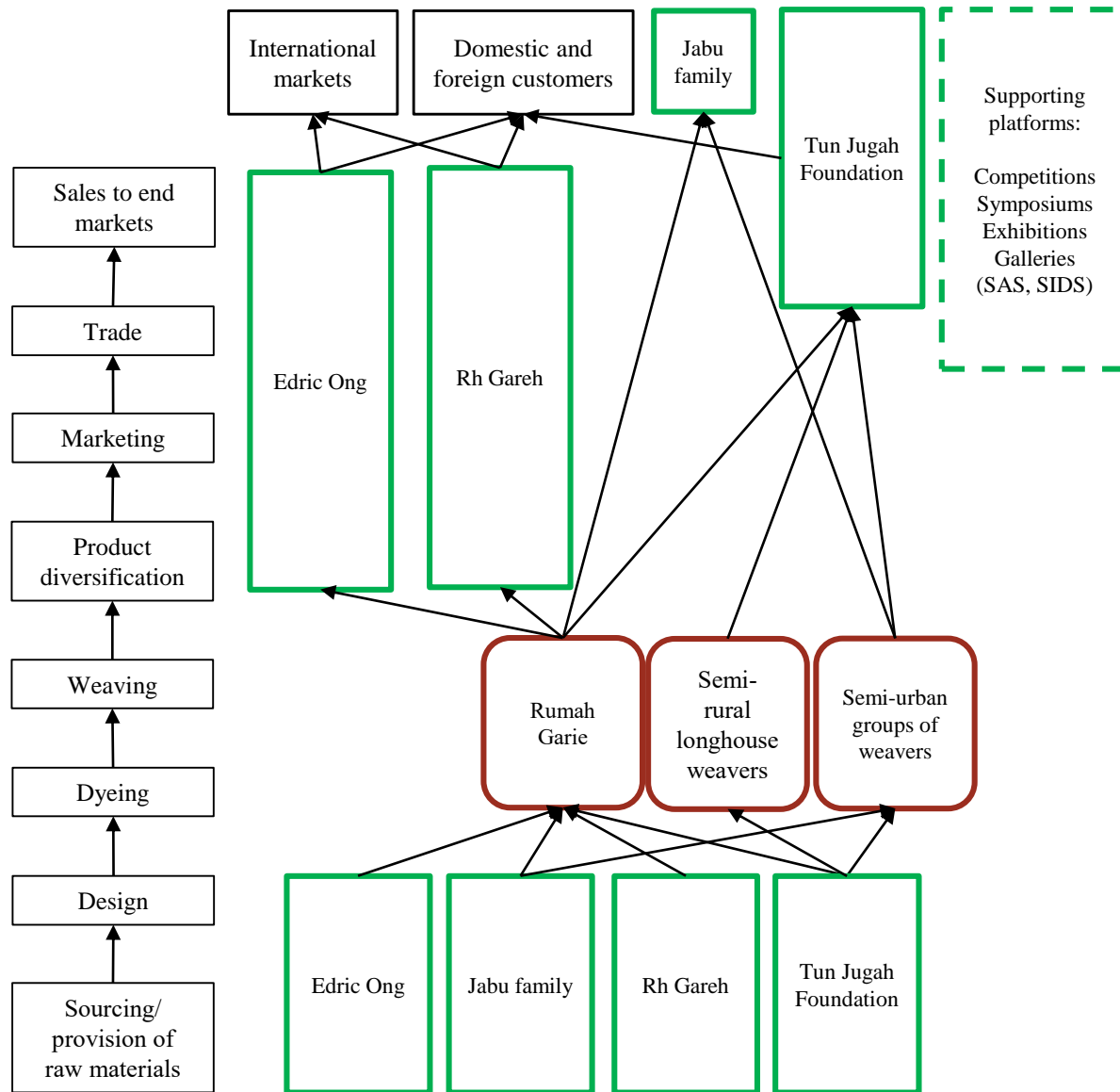




## State-led value chains in Sarawak



## Market-oriented value chains in Sarawak



## SEO-led value chains in Sarawak

# West Kalimantan

- Meanwhile, in Kalimantan, when ikat weaving among the Dayak communities were dying out, Jacques Maessen started Yayasan Kobus, a foundation, to reintroduce traditional handweaving to the community, with a focus on natural dyes.
- The Tirto Utomo Foundation and Rumah Asuh helped to build a cultural community centre, Rumah Tenun Tirta Dharma, for weaving activities and other cultural events in Sintang, eight to twelve hours' drive from the city of Pontianak. Since the opening of the centre on 11 October 2008, the house has been busy with local Dayak women weaving as well as domestic and international tourists, even from Sarawak.

# West Kalimantan

- The People, Resources, and Conservation Foundation (PCRF) Indonesia initiated a Cultural Revitalisation Programme with the Kobus Foundation which led to the creation of a weaving cooperative named the Jasa Menenun Mandiri (JMM), which translates to "weavers go independent".
- The JMM Cooperative, in close collaboration with its local non-government partners, promotes the use of non-timber forest products, income generation activities and continuous growth and empowerment to its women weaver members from 16 villages.
- The programme helps local Dayak weavers revive their weaving culture by enhancing artistic, managerial and institutional skills for self-sufficiency and sustainability. PRCFI aims to restore the art through research into artistic design and symbolism of ikat motifs, provision of training to younger weavers in the art of weaving, promoting the establishment of a cooperative to promote the art, provide incentives to weavers through technical, marketing, and financial support.
- In recent years the JMM has been able to generate annual sales of about US\$9,000, which is re-invested into the cooperative and its members. The PRCFI office provides a venue for sales in Pontianak for products of the JMM Cooperative from Sintang and for independent weavers throughout the province. With this programme, ikat weaving has been successfully revived in Kalimantan.

# Preliminary Findings

- The development of ikat textile weaving in Sarawak has been driven by interdependence among SEOs and other actors, embedded in the gift economy of Borneo.
- The promotion of ikat weaving in West Kalimantan has been much more successful at job creation.
- For further research – whether the effectiveness of SEOs is constrained by politics and local contexts in Sarawak.