

Cities and human settlements with diverse and inclusive economies



Global Platform
for the Right to
the City

A. Introduction

This Global Platform for the Right to the City (GPR2C) document aims to **visibilize the Right to the City approach to diverse and inclusive economies** as to fulfill just, inclusive, safe and sustainable cities, villages and human settlements, defined as commons essential to a full and decent life.

This document is produced as part of the GPR2C collective campaign “The best urban economies are diverse and inclusive: a Right to the City pillar” launched on the **World Day for the Right to the City (October 31st)** during Urban October 2023, in response to the UN-Habitat theme “Resilient urban economies. Cities as drivers of growth and recovery” and on “financing sustainable urban future for all”.

The conjunction of multiple crises, most notably the environmental/ climate emergency and the deepening of socio-economic inequalities between and within countries, deepened by the combined effects of the COVID-19 pandemic, makes clear the need for a **paradigm shift**, particularly in terms of models of production, consumption and decision-making, towards economic **models and systems that are founded on a rights-based solidarity approach**, which leverage the social and economic function of common goods, putting the care for the people and the planet at the center.

This document describes some of the main pillars of **diverse and inclusive economies under the Right to the City framework**, their inclusion and linkage with international agreements and agendas, as well as presenting a set of enabling actions that can be taken at the local level to promote and leverage diverse and inclusive economies, and support those who drive them.



B. What are diverse and inclusive economies?

Diverse and inclusive economies correspond to one of the eight components of the Right to the City. Under the work of the Global Platform for the Right to the City, a city/human settlement with diverse and inclusive economies is defined as one that safeguards and ensures **access to secure livelihoods and decent work** for all inhabitants, recognizes the value of **other alternatives to the current capitalist system, which include the values that represent the global desire for transformation** (e.g. social and solidarity economy, care economy, informal/popular economy), recognizes and supports the **domestic care and community work** developed largely by women and ensures the full development of women and girls.

Through this framework, the Right to the City recognizes the importance of developing **alternative forms and approaches to the current economic models** fuelled by increased privatization and for profit trends, resulting in mounting inequalities and exclusion, worsening of life conditions and increased concentration of power and resources on the hands of a few, including the expansion of instances of corporate capture of public institutions. This means **advancing towards other systems** that are not based on maximizing profits, but on **guaranteeing decent livelihoods and work for all**, contributing to the strengthening of community ties and care for the environment. In this sense, this component has a key transversal role as it is central in **protecting the collectively defined public and social interest**, ensuring a just and environmentally balanced use of urban and rural spaces and common resources.

Parting from this general definition, three structuring pillars can be identified within the scope of diverse and inclusive economies. They directly relate to the notions described above and are further detailed below:

Social and Solidarity Economy

Definition

Positioned as an alternative to economic structures guided by the maximization of profits, the **social and solidarity economy (SSE)** is an **ethical and values-based approach to economic development**, guided by the **promotion of social and environmental functions**, with the aim of serving the collective interest through satisfying the needs of human beings and protecting the environment. As defined by the **International Labour Organization (ILO)**, it is based in a set of principles that include “voluntary cooperation and mutual aid, democratic and/or participatory governance, autonomy and independence and the **primacy of people and social purpose over capital** in the distribution and use of surpluses and/or profits”¹ as well as values such as “equality and fairness, interdependence, self-governance, transparency and accountability and the attainment of decent work and livelihoods”².

Context

The Intercontinental Network for the Promotion of the Social and Solidarity Economy (RIPESS), which has played a key role in the promotion of the SSE since the late 1990's, highlights how the **SSE is founded in the commitment to systemic transformations**, proposing “a system that is not only economic, but also socio-political and cultural, basing life-sustaining processes at the center of socio-economic activity, placing people, communities and the environment above capital and its accumulation, and rejecting relations of inequality and exclusion based on gender, sexual orientation and identity, age or origin through **values related, among others, to cooperation, reciprocity, self-management**

1 International Labour Organization, “Resolution concerning decent work and the social and solidarity economy”, 2022, available at: https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_848633.pdf

2 Idem

and solidarity”³⁴.

Key actors

The SSE is composed of a **variety of actors and organizations** such as cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other entities operating in accordance with the values and principles of the SSE.

Characteristics

- **The promotion of life-sustaining processes** and the guaranteeing of decent living conditions through adequate working conditions and social protection mechanisms.
- **A shift on the relationship with the environment**, based on more sustainable patterns of production and consumption.
- **The promotion of autonomy, cooperation, democracy and solidarity, through the organization of communities towards more democratic structures and forms of collective organization in the defense of collective interests**, such as worker-led cooperatives.

Informal Economy

Definition

The informal economy, also called popular economy in some regions, refers to the portion of the global workforce that operates outside of the institutional mechanisms of full-time, stable and protected employment.

3 RIPESS, “What is the SSE?”, accessed August 28th 2023, available at <https://www.ripest.org/quest-ce-que-less-2/?lang=en>

4 RIPESS, “Charter of RIPESS, 2008, available at: https://www.ripest.org/wp-content/uploads/2017/08/RIPESS_charter_EN.pdf

Context

According to 2018 data from ILO, the informal economy represents **61% of the global workforce, 67% of total employment in emerging countries and 90% total employment in developing countries**⁵.

The picture also varies starkly between rural and urban areas, with an estimated 80% of the global rural workers categorized under the spectrum of the informal economy⁶.

Key actors

According to [Women in Informal Employment: Globalizing and Organizing \(WIEGO\)](#), urban informal work can be broadly categorized into the four following groups: **Street Vendors and Waste Pickers, Domestic Workers, Home-Based Workers (including Garment Workers)**.

Characteristics

- **Informal economy workers must have their work legally recognized and access to secure contracts, worker benefits and social protection.** The informal economy keeps on growing and evolving around the world, particularly through the effects of socio-economic crises and high inflation. In general, there is also a tendency towards lower earnings and higher costs and risks, when compared with workers of the formal economy.
- **A major part of informal economy workers are living in situations of poverty and suffering stigmatization and criminalization.** There is a need of creating frameworks that allow them to access decent livelihoods and work conditions, as well as social protection, and how such actions can have an impact on reducing poverty.
- **Informal economy linkages with the formal economy and its benefits to the overall economy should be recognized.** As pointed out by WIEGO, “contrary to mainstream assumptions, many urban

5 2018 World Bank definitions based on country levels of gross income per capita

6 ILO, Women and Men in the Informal Economy: A Statistical Picture 3rd edition, 2018, available at: https://www.ilo.org/global/publications/books/WCMS_626831/lang--en/index.htm

informal workers contribute to national and municipal revenue by paying fees to use public space and value-added taxes on inputs and raw materials. Urban informal workers also add vibrancy to public space, and can play a role in preserving cultural heritage, keeping historical markets alive”⁷.

Care Economy

Definition

Care work refers to the activities that ensure the reproduction and sustaining of life⁸. This encompasses care-giving for those that require specific care, but also day-to-day activities that are carried out on the domestic level and that ensure the sustaining of life in adequate conditions, such as cooking and cleaning.

Context

Thus, there is a stark contradiction between the vital and essential role played by care work for the reproduction and sustaining of life and the lack of visibility, recognition and support that these activities, and those who perform them, receive. This is a reflection of a false divide between **“productive” and “reproductive” work**, which relegates the latter to a secondary role, without recognizing that it is the precondition that allows for the existence of the former. Under this equation, women have been historically relegated to the “secondary” care-giving tasks, without proper recognition, remuneration and protection: **around the world, women provide 76.2% of all time spent in unpaid care work**.⁹

7 WIEGO, “Inclusive Cities and the Urban Informal Economy”, accessed August 28th 2023, available at: <https://www.wiego.org/our-work-impact/themes/inclusive-cities-and-urban-informal-economy>

8 ECLAC, “The care society A horizon for sustainable recovery with gender equality”, 2022, available at: https://oig.cepal.org/sites/default/files/s2200703_en.pdf

9 ILO, “Care work and care jobs for the future of decent work”, available at <https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/>

As described by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), **the capitalist system is sustained by women's time**, as an implicit resource for the reproduction of the labor force, capital and society as a whole. The care overload limits women's ability to earn their own income and to devote time to self-care, leisure and other activities that are central to their autonomy"¹⁰.

The COVID-19 pandemic made evident both the importance of care work, as well as the invisibilization of those who perform it. Current demographic tendencies point to an incoming future in which care work will be more important than ever. However, as indicated by the United Nations **"care work across the world remains characterized by a void of benefits and protections, low wages or non-compensation**, and exposure to physical, mental and, in some cases, sexual harm. It is clear that new solutions to care are needed on two fronts: in regards to the nature and provision of care policies and services, and the terms and conditions of care work"¹¹. In line with the guiding principles of the Social and Solidarity Economy, it is clear that in order for these changes to be substantive, they have to be accompanied by **structural transformations on social, political and economic structures**.

Key Actors

Remunerated care work is carried-out by a variety of professionals such as nurses, teachers, doctors, personal care workers and others; however, not only **the work done by these professionals is often under-remunerated and invisibilized**, but also the **bulk of care work carried-out around the world is done in an unpaid manner**. This means that those unpaid care work, conducted in its significant majority by women, don't receive compensation or formal social protection for their work and are often overburdened and exposed to hazards and accidents.

[wcms_633135.pdf](#)

10 ECLAC, "The care society A horizon for sustainable recovery with gender equality", 2022, available at: https://oig.cepal.org/sites/default/files/s2200703_en.pdf

11 United Nations, "International Day of Care and Support 29 October", accessed August 28th 2023, available at: <https://www.un.org/en/observances/care-and-support-day>

Characteristics

- **Recognizing care as a right** (the right to provide care, receive care and to care for oneself). Some States and cities, in particularly in Latin America¹², are enshrining it in legislation (notably in the constitutions of Ecuador and of Mexico City)¹³.

Providing the basis for the development of care systems that seek to organize and support the landscape of care work and provide direct support to caregivers, many of which also are under situations of vulnerability. In comparison to punctual and isolated initiatives and policies, the idea of a care system represents the shift towards structural and transversal programmes, recognizing the impact of care in various dimensions of life from health, economy, education, culture and others.

- **Incorporating the physical and territorial dimensions of care** into these new structures as well. This entails both a critical reading on the invisible underpinnings of traditional urban planning, historically biased towards supporting productive activities, without including gender lenses in the process, but also on how socio-economic marginalization plays out in the territory as well and recognizing the varying characteristics of territories and the communities that inhabit them.



12 XVth session of the Regional Conference on Women in Latin America and the Caribbean, "The Buenos Aires Commitment", 2022, available at: https://repositorio.cepal.org/bitstream/handle/11362/48738/S2300585_en.pdf?sequence=4&isAllowed=y

13 ECLAC, "The care society A horizon for sustainable recovery with gender equality", 2022, available at: https://oig.cepal.org/sites/default/files/s2200703_en.pdf

C. Right to the City Linkages

As a component of the Right to the City, diverse and inclusive economies are seen as a driver for **promoting greater socio-spatial justice**, under a scenario of increasing commodification and speculation around cities and territories, as well as of key goods and services that are essential for sustaining life in them. Through its different pillars, diverse and inclusive economies underscore the **potential that local communities have in self-organizing to collectively fulfill their needs** under systems that ensure more equitable distribution of benefits and opportunities for all. Under such a framework, diverse and inclusive economies have a close relation to the full development of a set of other Right to the City components.



Socio-environmental functions

Firstly, the **fulfillment of socio-environmental functions**, through ensuring equitable distribution of the burdens and benefits of economic processes, as well as the **protection of common goods that are essential for the reproduction of life**, such as public services or food, to public spaces, culture or the internet. In this sense, the protection of socio-environmental functions has a close linkage with the **protection and collective and democratic management of commons**, understood as material and immaterial goods, resources, services, and social practices that are considered fundamental for the reproduction of life and that, therefore, cannot be commodified but must be cared for and managed in a collective way, using the democratic principles of direct

participation, radical inclusion, and intersectional equity and justice¹⁴.

Non-discrimination

Secondly, **promotion of diverse and inclusive economies goes hand in hand with advancing towards cities and human settlements with no-discrimination**. Many of the most substantial experiences around the commons are linked to the **struggles of marginalized groups**, that include but are not limited to indigenous peoples, black and racialized communities, migrants and refugees, grassroots women and community organizers, LGBTQIA+ people, children and youth, people with disabilities and older persons, informal economy workers, campesines and rural communities, fiercely defending their lands, forests and waters against powerful corporate actors supported by often corrupt regimes. Non-discrimination has two clear implications. On one hand, guaranteeing that such groups have fair and equal access to opportunities and decent livelihoods. On the other, it means a firm commitment towards any form of discrimination, stigmatization, invisibilization and criminalization of economic activities developed by such groups, as seen widely in the field of the informal economy.

Inclusive Rural-Urban Linkages

Finally, diverse and inclusive economies can also contribute to **leveraging inclusive rural-urban linkages**, through ensuring food sovereignty; as well as enabling the circular economy and the protection of biodiversity, natural habitats, and surrounding ecosystems. Their impact in terms of promoting environmental and economic justice is also centered though the development of alternative paradigms based on the respect and care for nature, in opposition to economic models based on extraction and exploitation of nature.

14 GPR2C and UCLG, "The (Global) Commons", 2022, available at https://www.right2city.org/wp-content/uploads/2022/10/TH_PP_GlobalCommons.pdf

D. Global agendas and international agreements

New Urban Agenda	SDGs	GA resolutions
Pars. 13 (d), 14 (b), 57, 58 and 59	SDG 1 (targets 1.3, 1.4), SDG 2 (2.3), SDG 5 (5.4), SDG 8 (8.3, 8.4 and 8.8) and SDG 10 (10.2 and 10.4)	A/RES/77/281 and A/RES/77/317

Diverse and inclusive economies, as well as its different pillars and dimensions, are being increasingly included in **international agendas and commitments**, highlighting the central role they play in promoting the significant socio-economic and political transformations needed in order to fulfill human rights and improve living conditions for all around the world. In this section, we briefly highlight how diverse and inclusive economies are reflected in key agendas for the promotion of the Right to the City, such as the New Urban Agenda and the 2030 Agenda, as well as in specific resolutions by the UN General Assembly.

New Urban Agenda¹⁵

Elements of diverse and inclusive economies are cited both in the vision and principles of the New Urban Agenda, notably on **paragraphs 13(d) and 14(b)**, citing “inclusive and sustainable economic growth” and the promotion of “full and productive employment and decent work for all, by ensuring the creation of **decent jobs and equal access for all to economic and productive resources and opportunities** and by preventing land speculation, promoting secure land tenure”.

15 UN, “New Urban Agenda”, available at: <https://habitat3.org/the-new-urban-agenda/>

Paragraph 57 states the commitment to pay particular attention to the needs of vulnerable groups, ensuring access to decent work and promoting “**non-discriminatory access** to legal income-earning opportunities”. Additionally, **paragraphs 58 and 59** highlight the commitment to “environmental sustainability and inclusive prosperity”, the importance of “**businesses and enterprises in the social and solidarity economy**, operating in both the formal and informal economies” and committing to “recognizing the contribution of the **working poor in the informal economy**, particularly women, including unpaid, domestic and migrant workers”.

Sustainable Development Goals (SDGs)¹⁶

Diverse and inclusive economies are reflected across the 2030 Agenda, particularly in Goals:

- 1 - **No Poverty** (targets 1.3 and 1.4)
- 2 - **Zero Hunger** (target 2.3)
- 5 - **Gender Equality** (target 5.4)
- 8 - **Decent Work and Economic Growth** (targets 8.3, 8.5 and 8.8)
- 10 - **Reduced inequalities** (targets 10.2 and 10.4)

Target 1.3 highlights the need for “**appropriate social protection systems**” in particular regarding the poor and vulnerable, while **target 1.4** cites equal rights between women and men regarding “economic resources, as well as access to basic services, **ownership and control over land** and other forms of property” and others. **Target 2.3** also mentions access to land and productive resources by “small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers”. While **target 5.4** commits to recognizing and valuing “**unpaid care and domestic work** through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate”.

16 UN, “The 17 Goals”, available at: <https://sdgs.un.org/goals>

In terms of decent job creation, **target 8.3** cites the “support to productive activities, decent job creation, entrepreneurship” and “the **formalization** and growth of micro-, small- and medium-sized enterprises”. While **target 8.5** focuses on equality through “full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”. **Target 8.8** commits to promoting “**safe and secure working environments for all workers**, including migrant workers, in particular women migrants, and those in precarious employment”.

Finally, in terms of reducing inequalities, **target 10.2** focuses on “the **social, economic and political inclusion of all**”, while **target 10.4** commits at adopting “policies, especially fiscal, wage and **social protection policies, and progressively achieve greater equality**”.

General Assembly resolutions

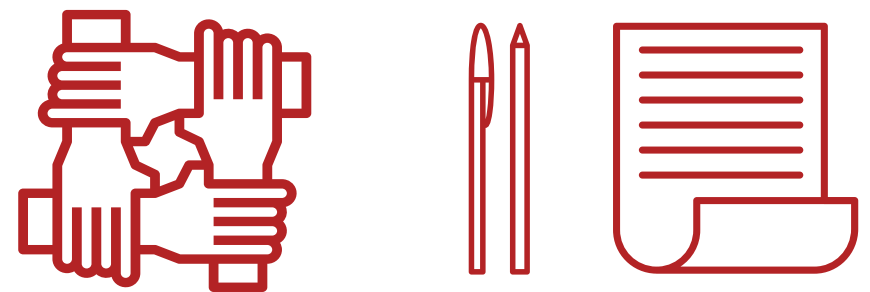
On April 18, 2023, the UN General Assembly approved the resolution “**Promoting the social and solidarity economy for sustainable development**”(A/RES/77/281¹⁷), which builds upon the work of the United Nations Inter-Agency Task Force on Social and Solidarity Economy, recognizing the social and solidarity economy and its contribution to the localization of the SDGs. The resolution encourages Member States to **adopt concrete measures to promote and support the social and solidarity economy**, including introducing specific legal frameworks, its inclusion in national statistics, providing fiscal and public procurement incentives, including it in education curricula and capacity-building and research initiatives and reinforcing entrepreneurship and business support.

Additionally, it encourages relevant entities of the United Nations

17 UN General Assembly, “Promoting the social and solidarity economy for sustainable development”, available at: https://unsse.org/wp-content/uploads/2023/05/A_RES_77_281-EN.pdf

development system to give due consideration to the social and solidarity economy as part of their planning and programming instruments; as well as international and regional financial institutions and development banks to support the social and solidarity economy, including through existing and new financial instruments.

As an indication of the **gained relevance that the care agenda** is gathering globally, on August 2nd 2023, the UN General Assembly approved a resolution (A/RES/77/317) to **proclaim 29 October as International Day of Care and Support**.¹⁸ The aim is to raise awareness of the importance of care through the implementation of policies and measures that seek to recognize and value unpaid care work, “combat gender stereotypes related to care and support, as well as those related to, inter alia, race, ethnicity, age and migratory status”, create quality jobs in the care economy and “to realize women’s right to work and rights at work for those with care responsibilities, including equal pay for work of equal value”¹⁹.



18 UN General Assembly, “International Day of Care and Support”, available at: https://unsse.org/wp-content/uploads/2023/05/A_RES_77_281-EN.pdf

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E. Enabling actions

Based on the principles described above, and in line with the actions and commitments presented in the previous section, below some enabling actions are outlined. These are measures and initiatives that can be led by different government spheres, however they pay particular attention to the role that local governments play in the promotion and dynamization of local economies. Moreover, these actions are not, by all means, an exhaustive list, focusing in particular on actions that can be led through a Right to the City perspective, building upon territorial and spatial dynamics in order to promote a shift towards economic systems that put people and the planet at the center.

A) Recognition and visibilization

1. **Ensuring the legal recognition** of diverse and inclusive economies (particularly through the Social and Solidarity Economy) at the local level, through specific and adequate regulation, as to provide the mechanism to ensure that its actors are directly involved in the planning and policy making processes, adequately protected and supported and are not vulnerable to discriminatory practices.

2. **Promote visibilization / awareness raising** of diverse and inclusive economies, their core principles and their contribution to improved living conditions for all. In particular contribute to the invisibilization and desistigmatization of care and informal economy work.

3. **Disseminate best practices**, promoting global exchanges on the benefits of SSE and encouraging peer-to-peer learning.

4. **Collect and include data on diverse and inclusive economies** in municipally-led collection of statistics. Conduct qualitative research.

B) Direct support

5. **Devising specific instruments to support** diverse and inclusive economies, including, but not limited to:

- Temporary or permanent cession of municipal resources to support organizations (can include human resources, public equipments, land, others);
- Provision of subsidies and grants;
- Adapting public tendering guidelines to better suit and support enterprises from the diverse and inclusive economy landscape;
- Develop public community partnership programmes to facilitate the work with social enterprises, cooperatives and others to deliver community services;
- Facilitate the access to finance;
- Introduce specific instruments to support the economic activity and access to decent livelihoods by women, youth, migrants, racialized communities and others.

6. **Work transversely across departments** to disseminate the importance and role of diverse and inclusive economies and its actors so they are to be supported and articulated across municipal organs and programmes.

7. **Support capacity building, certification and organization** of actors of the diverse and inclusive economies ecosystem.

C) Sectoral initiatives

8. Ensuring protection for economic activity in **diverse and inclusive public spaces, taking into account the role of workers**, the sustainability of their livelihoods, their health and well-being. Work against the criminalisation of informal economy in public spaces and against the privatisation and commodification of public urban areas.

9. Promotion of diverse and inclusive economies as a key driver of **integral neighborhood upgrading**.

10. Include the support of diverse and inclusive economies in the **municipal strategies and programmes related to environmental protection**, in particular through the support of agroecology, urban farming and proximity economy.

11. Introduce the **support to care-givers and care-giving** as a transversal element to municipal strategies and plans, focusing in dimensions such as the provision of adequate infrastructure for care-related tasks, access to services across the territory, support to caregivers and others.



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