SOLIDARITY ECONOMY LAWYERING

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Abstract

This essay explores lawyering in the solidarity economy movement as an emergent approach to progressive transactional lawyering. The solidarity economy movement is a set of value-driven theories and practices that seeks to transform the global economy into a just economy that centers the needs of people and the planet. While the solidarity economy movement has been established for several decades in other parts of the world, the solidarity economy movement in the United States emerged in 2007. Over the last decade the movement has grown and gained significant momentum, with the rise of solidarity economy organizations and initiatives, as well as the incorporation of solidarity economy strategies in a number of social movements, including the Movement for Black Lives, the Indigenous Rights movement, the modern-day environmental justice movement, and in many workers’ rights campaigns. Despite the growing prominence of solidarity economy initiatives, not much if anything has been written about solidarity economy in the legal body of scholarship. All the while, the law and legal support play an integral role to the success of solidarity economy enterprises and the movement overall. Moreover, many transactional lawyers, law school clinics, and legal service organizations are providing legal and technical assistance to solidarity economy organizations. Solidarity economy is an important framework for progressive transactional lawyers and those interested in supporting transformative community economic development (CED) efforts.

The skills and expertise of transactional lawyers have much to contribute to the solidarity economy movement. I argue that transactional lawyers have a particular role to play in the development of the solidarity economy movement, as creative legal strategies are an important piece to the long and short-term success of the solidarity economy movement. These current and potential contributions go beyond the legal structuring of worker cooperatives or community land trusts but fully extend to other transactional legal services and skillsets.

Transactional lawyers can play a critical role in 1) advocating for corporate and regulatory reform and creatively reimagining the law to aid the goals of the solidarity economy movement, what others have referred to as radical transactionalism and 2) “scaling up” the solidarity economy through the linkage of solidarity economy organizations and enterprises. To be an effective lawyer in the solidarity economy movement, however, legal professionals must be able to provide more than the necessary technical expertise. Effective solidarity-economy lawyers must also embrace the imaginations and experimentations of clients and put the law in service to those goals. To do so, solidarity-economy lawyers should develop a deep understanding of their clients’ goals, build authentic and solidaristic relationships with their clients, and also creatively integrate legal strategies to client matters.
INTRODUCTION

“To most public interest-minded law students and lawyers, practicing transactional law isn’t an obvious path to saving the world . . . [But] now transactional lawyers are needed, en masse, to aid in an epic reinvention of our economic system.” – Janelle Orsi

An emerging cohort of lawyers are working to transform the dominant economy from one that centers on self-interest, greed, and profit maximization to one that centers the needs of people and the planet. These lawyers work in private practice, at legal service organizations, as in-house counsels, clinical professors, and pro-bono volunteers. Their work includes corporate structuring, contract drafting, real estate deals, regulatory advising, and law reform projects, among other things. Their clients are individuals, organizations, small businesses, social enterprises, cooperatives, worker self-directed nonprofits, community land trusts, time banks, and other collective experiments that seek to build alternative mechanisms for both economic justice and social liberation. This is the “solidarity economy” movement, a growing movement building a new economic system rooted in economic democracy, social solidarity, and environmental sustainability.

At the heart of this new economic system are five unifying principles: (1) solidarity, (2) equity in all dimensions (race, gender, ability, etc.), (3) pluralism, (4) participatory democracy, and (5) sustainability. The movement’s ultimate vision is two-fold, first to grow these values and practices through grassroots initiatives, and second to link these solidarity economy activities in a network of mutual support, transforming the current dominant global economy into a just, democratic, and sustainable economic system. To that end, the core principles are embedded in the organizational and business structures, governance, financing, and the ways in which solidarity economy enterprises and organizations build their supply chains and partnerships. As a result, solidarity economy lawyers, lawyers that work with solidarity economy clients, often work at the cutting edge of corporate law, securities regulations, employment law, licensing, and intellectual property. However, in some cases the current legal regime is ill suited for these new types of enterprise. So, while solidarity economy practitioners are reimagining the economy and means of economic exchange, solidarity economy lawyers are attempting to reimagine the law to reflect the needs of their clients.

This essay explores solidarity economy lawyering as an emergent field of practice in the United States. After a short explanation of solidarity economy theory and practice, the essay explores the way in which transactional representation of solidarity economy enterprise clients is different from traditional business and nonprofit representation. The essay goes on to argue that transactional lawyers have a particular role to play in 1) advocating for corporate, regulatory, and contract law reform to better suit the needs of grassroots solidarity economy enterprises, 2) creatively redeploying legal techniques and practices relating to risk management, organizational form, and the allocation of property rights to further the purpose of internalizing social and ecological values into the heart of

2 Id.
4 Id.
5 Id.
economic exchange, otherwise known as ‘radical transactionalism’, and 3) “scaling up” the solidarity economy through the linkage of solidarity economy organizations and enterprises. These contributions are instrumental to the long and short-term success of the solidarity economy movement. The essay concludes with some thoughts on how solidarity economy lawyers can be most effective.

I. What is Solidarity Economy?

The solidarity economy (SE) is a set of theories and practices that promote equitable, solidaristic, democratic, ecological, and sustainable development with an ultimate vision of 1) growing these values and practices through grassroots initiatives, and 2) linking these solidarity economy activities in a network of mutual support, such that they transform the current dominant global economy into a just, democratic, and sustainable economic system. Many communities, across the United States and across the globe, are engaging in SE activities through grassroots economic initiatives such as: alternative currencies; community-run population control of the means of production, distribution, and consumption; community land trusts; intentional communities; community development credit unions; community supported agriculture programs; open source free software initiatives and others. Not only do SE initiatives and enterprises currently exist in every sector of the dominant economy, but they also are prevalent in informal diverse economies. As a political project, solidarity economy proposes a transformational shift of

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6 This essay grounds its exploration of SE in its development of practice and theory in the United States. As such, the author distinguishes solidarity economy from what is referred to as the social economy and the sharing economy. While these concepts share certain principles, social economy seeks only to enact progressive change within the confines of the current economic system and the sharing economy refers only to a model of economic activity in which peer-to-peer exchange takes place through a community or online platform; whilst the solidarity economy seeks an alternative society with a fundamentally different economic system. See generally Vishwas Satgar, The Solidarity Economy Alternative: Emerging Theory and Practice (2014).

7 Id. at 51 (defining solidarity economy as a “series of experiments, becoming, emerging possibilities and prefigurative practices” that envision “an alternative society that seeks to overcome capitalism through a democratic, pluralist process of worker control.”); Penn Loh & Boone Shear, Solidarity Economy and Community Development: Emerging Cases in Three Massachusetts Cities, 46 CMTY. DEV. 244–45 (2015); Jenna Allard & Julie Matthaei, Solidarity Economy: An Overview, http://www.geo.coop/sites/default/files/SE%20Definitions%20and%20Themes_SEN_draft.doc (last visited Apr. 20, 2019) (“Solidarity economy involves both transforming current economic institutions, and growing alternatives to them. Solidarity economy values, practices and institutions currently coexist with neo-liberal capitalist ones in all sectors of the economy. The ultimate vision is: 1) to grow these values, practices and institutions through conscious activity designed to transform civil society, the market, and the state; and 2) to link these solidarity economy activities in a network of mutual support, such that they transform neo-liberal capitalism into a just, democratic, and sustainable economic paradigm and system.”).

8 Ethan Miller, Defining Solidarity Economy: Key Concepts and Issues, in SOLIDARITY ECONOMY I: BUILDING ALTERNATIVES FOR PEOPLE AND PLANET (Emily Masterson et al. eds. 2010).

9 See, e.g., J.K. Gibson-Graham, A Postcapitalist Politics 69 (2006) (“[W]hat is usually regarded as the “economy” – wage labor, market exchange of commodities, and capitalist enterprise – comprises but a small subset of the activities by which we produce, exchange, and distribute value.”) Diverse economies refers to a theoretical framework that accounts for all of the alternative means of economic activity.; J.K. Gibson-Graham, The End of Capitalism (As We Knew It): A Feminist Critique of Political Economy 4 (1996); Brian Burke & Boone Shear, Introduction: Engaged Scholarship for Non-capitalist Political Ecologies, 21 J. POL. ECON. 127 (2014); Janelle Cornwell, Worker Co-operatives and Spaces of Possibility: An Investigation of Subject Space at Collective Copies, 44 ANTIPODE 725, 739 (2012); J.K. Gibson-Graham,
the relationships between the market, the state, and people, centering the needs of people and the environment over the needs of private interests and capital. In doing so, SE seeks to be the “next system,” replacing neoliberal capitalism by building and connecting networks of grassroots economic initiatives and practices that embody the five core principles of SE: solidarity, sustainability, equity in all dimensions (race, gender, ability, etc.), participatory democracy, and pluralism.

Solidarity economy is not a static concept or blueprint for a new economy. It is an ever-evolving movement that grows from existing and emergent practices, guided by the theoretical principles. In other words, the theory and the practice of SE are circular through an ongoing praxis of “debate, experience research, organizing and reflection.” This continuous iterative evolution of SE allows for new forms of organization and experiments of exchange that best serve the material needs of its practitioners. Solidarity economy broadly defines the economy as all of the ways in which people, communities, and organizations meet their material needs. Therefore, solidarity economy can be thought of as “a dynamic process of economic organizing in which organizations, communities, and social movements work to identify, strengthen, and create democratic and liberatory means of meeting their needs.” Figure 1 illustrates some of the current kinds of initiatives that make up the solidarity economy.

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Miller, Defining Solidarity Economy, supra note 8, at 4 (“[A] solidarity economy approach suggests that we define economics much more broadly as all of the diverse ways that human communities meet their needs and create livelihoods together.”); Nancy Neamtan, The Solidarity Economy, State Organization and Political Power, in PAPERS AND REPORTS FROM THE U.S. SOCIAL FORUM 2009 341 (Jenna Allard et al. eds. 2010) (“The fundamental goal of the solidarity economy movement is to put the economy at the service of human beings, rather than putting human beings at the service of the economy, which is more or less the situation today.”).


Kawano, Solidarity Economy, supra note 3.

Kawano, Crisis and Opportunity, supra note 11, at 19.


Miller, Other Economies, supra note 14. (“Solidarity economics embraces a plural and cultural view of the economy as a complex space of social relationship in which individuals, communities, and organizations generate livelihoods through many different means and with many different motivations and aspirations-not just the maximization of individual gain.”).

Miller, Defining Solidarity Economy, supra note 8, at 5.

Id. (“This list of organizational types in the diagram is by no means exhaustive of solidarity economy enterprises.”).
While many communities and cultures have longed practiced solidarity and cooperation to provide for the material needs of its members, solidarity economy theory in the United States is relatively new. The U.S. solidarity economy movement emerged in 2007, although solidarity economy practices have existed since early in the twentieth century. As in other parts of the world, the solidarity economy movement in the United States directly grew out of failures of the dominant economy, neoliberal and austerity policies, and the impending economic downturn of 2008. In many ways, the economic downturn, spurred by the collapse of the mortgage securities market and subprime loans catastrophe, shook not only the U.S. economy but also main-street’s general trust in the invisible hand of the market and integrity of the financial industry. It was in the early days of the economic downturn, that communities and organizations took the first steps to nationally coordinate the U.S. solidarity economy movement. In 2007, at the U.S. Social Forum, a number of SE practitioners and organizations convened, discussed emerging practices, and strategized the future of the SE movement in the U.S. Subsequently, there

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18 Id. at 2.
19 Id.; see, e.g., JESSICA GORDAN NEMBHAND, COLLECTIVE COURAGE: A HISTORY OF AFRICAN AMERICAN COOPERATIVE THOUGHT AND PRACTICE 27–48 (2014) (discussing cooperative economic activities of African Americans during the nineteenth and twentieth centuries).
20 JENNA ALLARD, CARL DAVIDSON, & JULIE MATTHEI, SOLIDARITY ECONOMY: BUILDING ALTERNATIVES FOR PEOPLE AND PLANET, PAPERS & REPORTS FROM THE 2007 U.S. SOCIAL FORUM (2008); see Our Story, U.S. SOLIDARITY ECON. NETWORK, https://ussen.org/about-ussen/our-story/ (last visited Jan. 11, 2019). At the US Social Forum in 2007, the Economic Alternatives and the Social/Solidarity Economy Working Group “organized a block of 28 workshops, and a list of 53 associated workshops. In the first day of workshops, there were roundtable discussions about economic transformation in the United States, as well as presentations on everything from green building, to ethical consumption, to worker cooperatives. Many of these workshops were interactive, and posited the solidarity economy as a concrete alternative to low-road neo-liberal policies.” Id. The final day of the conference, the Economic Alternatives and the Social/Solidarity Economy Working Group resolved to found the US Solidarity Economy Network. See id.
have been numerous meetings to discuss the theory and future of the movement.\textsuperscript{21} Over the last decade, the solidarity economy in the United States has grown significantly.\textsuperscript{22} By one conservative estimate, there were more than 700 solidarity-economy businesses in 2016.\textsuperscript{23}

Moreover, the solidarity economy movement is in many ways a movement of movements, as many current movements are incorporating solidarity economy strategies into their organizing work. For example, the Movement for Black Lives Policy Platform advocates for the support of cooperative development and social economy networks as a tenet of economic justice.\textsuperscript{24} Furthermore, a number of solidarity-economy initiatives have sprung out of local organizing efforts affiliated with the Black Lives Matter movement.\textsuperscript{25} The indigenous rights and environmental justice movements are pushing for the creation of public banks in the wake of the Standing Rock protests.\textsuperscript{26} Immigrant-rights advocates are incubating worker cooperatives to ensure immigrant workers can take ownership of their labor and have a say in their working conditions.\textsuperscript{27} These efforts and other SE initiatives need legal support to thrive and flourish.

II. Transactional Lawyering in the Solidarity Economy Movement

At its core, transactional lawyering is about the structuring of organizational and individual relationships within the parameters of the law. Transactional lawyers structure businesses, negotiate and draft contracts, and advise clients on relevant laws and financial documents associated with the creation and governance of cooperatives.\textsuperscript{28}

\textsuperscript{21} For a list and timeline of U.S. solidarity economy conferences and workshops see About Us, U.S. SOLIDARITY ECON. NETWORK, https://ussen.org/about-ussen/ (last visited Jan. 11, 2019).

\textsuperscript{22} For example, the number of U.S. worker cooperatives have more than doubled since 2000. See Rebecca Harvey, \textit{What Has Caused the Number of US Worker Co-Ops to Nearly Double?}, COOP NEWS (Aug. 7, 2018), https://www.thenews.coop/130862/sector/worker-coops/caused-number-us-worker-co-ops-nearly-double/; see also Members, NEW ECON. COALITION, https://neweconomy.net/members (last visited Jan. 11, 2019) (noting the organization’s dramatic increase in membership since its founding in 2008); Map and Directory, SOLIDARITY ECON., http://solidarityeconomy.us/ (last visited Jan. 11, 2019).

\textsuperscript{23} JOSHUA DAVIS, FROM HEAD SHOPS TO WHOLE FOODS 234 (2017).

\textsuperscript{24} Economic Justice, MOVEMENT FOR BLACK LIVES, https://policy.m4bl.org/economic-justice/ (last visited Jan. 11, 2019) (“Through tax incentives, loans and other government directed resources, support the development of cooperative or social economy networks to help facilitate trade across and in Black communities globally. All aid in the form of grants, loans or contracts to help facilitate this must go to Black led or Black supported networks and organizations as defined by the communities.”).


These skills are imperative to the long-term success of the solidarity economy movement. SE enterprises, like traditional enterprises, retain lawyers to advise on entity formation and governance, draft relevant agreements and contracts, and counsel on applicable regulations. However, SE initiatives are markedly different from traditional enterprises in three major ways: 1) the motivations of the enterprise are guided by the five SE principles and not the maximization of profit, 2) the relationships within the enterprise are often blurred and overlapping, and 3) the means of exchange are varied and diverse.

It’s important that lawyers understand and explore these differences as there are implications on the law and legal practice.

For example, imagine a group of seven women seek out a lawyer to start a catering and prepared-food business. The women decided that they want to be equal partners, share in profits and put up the same value of start-up capital. Easy enough. This is a scenario that most experienced transactional lawyers would be able to address. However, imagine for a second that the women go on to say 1) all of the women will work and contribute to the day-to-day decisions based on democratic consensus, 2) two of the women are applying for asylum and do not have work authorization, 3) the business will provide free meals to those that are food insecure in their community, 4) a number of the capital contributions will be in the form of sweat equity, and 5) the business intends to compensate the lawyer not in dollars, but in future meals prepared by the business.

Each additional piece of information would have an impact not only on the laws implicated but also how the lawyer might approach the case. To begin, in the spirit of consensus building, the lawyer might ensure that all seven women could attend and participate in any future client meetings. This particular business, a worker cooperative, would require a deeper analysis of entity formation and applicable regulations to help meet the client’s goals. Cooperative law varies greatly from state to state and the lawyer would need to think through the relevant state and federal regulations that might classify the worker-owners as either an employee or an owner of the business. The lawyer would carefully have to research and analyze the relevant immigration and employment regulations to ensure that all members can participate and will be classified as owners for the purpose of federal work authorization laws. The implications of such classifications can mean the difference between success and failure of the business, as well as the protection of its members. Given that the business’ purpose is in-part charitable, and in-part wealth building (for-profit), the lawyer would want to identify the best combination of benefits and structures, as well as carefully draft governance agreements. As such, the lawyer would need to do additional fact investigation and have a better understanding of

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29 Orsi, supra note 1, at 13–15.


33 See, e.g., id.

34 See Orsi, supra note 1, at 25–30; see also Worker Ownership, supra note 30.
the client’s goals and priorities to provide effective counseling on entity formation. In addition to considering the various entity options, the lawyer would need to explore the issue of sweat equity contributions by the worker-owners. The Fair Labor Standards Act (FLSA), or other relevant state laws, might potentially prevent the worker-owners from investing sweat equity without receiving immediate compensation. The lawyer’s compensation is also an issue, as the lawyer would need to research relevant regulations for the proposed barter arrangement. What language would go into an engagement letter if the attorney agreed to represent the business in exchange for a future promise of food? Would the prepared meals be taxable income for the lawyer? Would the lawyer get to try the food first? All important questions that would need to be addressed before moving forward with representation of the client.

This is just one cursory example of how a solidarity economy business client might be different from a traditional business. Yet, it demonstrates the new type of legal practice that is emerging to adequately serve solidarity economy clients. SE lawyers must have a broad understanding of the full range of legal structures. Otherwise the tendency may be to propose those structures with which they are most familiar, leaving other potential options unexplored. Other substantive areas of law include securities law, employment law, tax law, intellectual property, contact law, and commercial law. Still, SE practice can implicate a wide range of legal issues far beyond these traditional bodies of business law. In the example above, the lawyer would need to research immigration law, Good Samaritan food statutes, and barter exchange taxation regulations to adequately serve the client. This is not uncommon. SE clients are rethinking and remaking the means of economic exchange. This will continue to require transactional SE lawyers to expand their substantive areas of practice. Further, many solidarity economy initiatives are connected to or a part of social movements. Such connections are likely to have an impact on the legal support required. In the long term, SE lawyers may need to regularly consult and collaborate with attorneys in a range of practice areas and be nimble in responding to the needs of their clients.

Beyond the technical skills and expertise of transactional practice, SE lawyering also requires what has been referred to as the right “culture fit” or the “touch.” This can best be explained as the willingness of a lawyer to embrace the imaginations and experimentations of clients, and subsequently put the law in service to those ends. Both in legal education and mainstream practice, the minimization of risks is emphasized as the lawyer’s primary concern. While important, a fixation on risks in SE practice often will not best serve the goals of the clients.

39 Kawano, Solidarity Economy, supra note 3.
41 Id.
42 Id.
There are many gray areas of law related to SE practice.\textsuperscript{43} It’s the lawyer’s job to assess, analyze, and provide the most viable options for achieving the client’s goals, recognizing that the law is not always clear.\textsuperscript{44} Specifically, in a SE lawyering practice, it’s necessary for the lawyer to demonstrate creative capacity, a deep understanding of the client’s perspective and goals, and a commitment to the shared values of the solidarity economy movement.\textsuperscript{45} Recognizing that the attorney-client relationship is more than just a mere transaction, effective solidarity-economy lawyers build authentic and solidaristic relationships with their clients.\textsuperscript{46} Relationship building is a primary way in which SE lawyers can demonstrate a shared commitment to SE values and principles. As SE lawyers grow in their experience and practice, they come to rely on their acquired knowledge, while continuing to embrace the innovative goals of SE initiatives.\textsuperscript{47} Furthermore, as is the case with all effective lawyering, SE lawyers will need to commit themselves to understanding the context in which their clients are operating, including the movements that clients may ground themselves in. Currently, lawyers across the country are engaged in SE lawyering.\textsuperscript{48}

A growing cadre of lawyers are representing SE organizations at legal service organizations, community economic development law clinics, law firms, and in solo practice.\textsuperscript{49} For example, the Sustainable Economies Law Center (SELC), a 501(c)3 organization, is an institutional pioneer in solidarity economy lawyering.\textsuperscript{50} SELC has provided legal services to hundreds of solidarity economy enterprises through their Resilient Communities Legal Cafes,\textsuperscript{51} direct representation, and legal resources on their website, including materials on cooperative law, grassroots financing, community renewable energy law, food enterprises, and alternative forms of exchange or money.\textsuperscript{52} Beyond providing legal support to SE enterprises, SELC is an example of a solidarity economy legal service organization.\textsuperscript{53} The organization functions as a worker self-directed nonprofit, a hybrid governance model in which a nonprofit organization adopts governance characteristics of a worker cooperative.\textsuperscript{54} Worker self-directed nonprofits empower their workers to collectively make decisions on behalf of the organization.\textsuperscript{55} While these nonprofits still have a governing board of directors, the board concedes significant decision-making authority to the employees or members.\textsuperscript{56} This particular model of nonprofit governance embodies the SE principle of participatory democracy.\textsuperscript{57} Moreover,

\begin{itemize}
\item \textsuperscript{43} Orsi, supra note 1, at 12–15, 26, 262–67, & 419–25.
\item \textsuperscript{44} Id. at 26.
\item \textsuperscript{45} Id. at 25.
\item \textsuperscript{46} Id.
\item \textsuperscript{47} Id.
\item \textsuperscript{48} See, e.g., Fellows, SUSTAINABLE ECONS. L. CENT., www.theselc.org/fellows (last visited Mar. 5, 2019).
\item \textsuperscript{49} For a directory of lawyers in solidarity economy practice, see About, NEXT LEGAL NETWORK, https://nextlegal.org/about (last visited Jan. 11, 2019).
\item \textsuperscript{50} See, e.g., Fellows, supra note 48.
\item \textsuperscript{51} Start Your Own Legal Café, SUSTAINABLE ECONS. L. CENT., https://www.theselc.org/how_to_start_a_legal_cafe (last visited Mar. 4, 2019).
\item \textsuperscript{52} Our Strategies, SUSTAINABLE ECONS. L. CENT., www.theselc.org/our_strategies (last visited Mar. 4, 2019).
\item \textsuperscript{54} Id.; Worker Self-Directed Nonprofits, SUSTAINABLE ECONS. L. CENT., www.theselc.org/worker_selfdirected_nonprofits (last visited Mar. 4, 2019).
\item \textsuperscript{55} Worker Self-directed Nonprofits, supra note 54.
\item \textsuperscript{56} Id.
\item \textsuperscript{57} Mike Haber, The New Activist Non-profits: FOUR Models Breaking from the Non-profit Industrial Complex, 73 U. MIAMI L.R. (forthcoming 2019) (describing the rise of self-directed non-profits).
\end{itemize}
in furtherance of solidarity and equity principles, all SELC employees, legal and non-legal, receive the same salary, and the organization provides services on a sliding scale.

While SELC is often cited as “the” solidarity economy legal service organization, a number of legal service organizations specialize in SE lawyering. A few are worth mentioning in an attempt to build awareness for law students and interested lawyers. Baltimore Activating Solidarity Economies, for example, has provided support to a number of SE initiatives in Baltimore, Maryland, including a mapping project of the local solidarity economy. Likewise, the Urban Cooperative Legal Center based in Newark, New Jersey, provides legal support to start-up coops and organizes community events to discuss cooperative development. Additionally, the Urban Justice Center’s Community Development Project works with a number of New York City cooperatives and SE initiatives. In the same vein, the Center for Community Based 2 Enterprise (C2BE) in Detroit, Michigan, not only provides cooperative legal support but also integrates cultural organizing to scale the local Detroit solidarity economy. Law for Black Lives has also provided and facilitated legal support to a number of SE campaigns. Finally, organizations like the Working World and the ICA Group have lawyers on staff that regularly engage SE legal practice.

Similarly, a number of transactional and community economic development (CED) law school clinics around the country provide legal support to SE enterprises. For the past two years, the clinic that I direct at John Marshall Law School-Chicago has used solidarity economy theory as a framework for case selection, prioritizing those clients that exemplify the five principles of SE (equity, sustainability, participatory democracy, solidarity, and pluralism). Currently, most of our clients are worker cooperatives and cooperative incubators. Recognizing the local emerging solidarity economy and gap in legal services

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58 Our Governance, supra note 53.
59 Worker Self-Directed Nonprofits, supra note 54.
60 Morgan et. al, Where Are the Community Enterprise Lawyers?, supra note 40, at 17.
61 Interview with Dorcas Gilmore, Co-Founder of Baltimore Activating Solidarity Economies, April 17, 2019.
64 CENTER FOR COMMUNITY BASED ENTERPRISE (C2BE), https://www.c2be.org/ (last visited Mar. 4, 2019).
66 Meet Our Team, WORKING WORLD USA, https://www.theworkingworld.org/us/our-team/ (last visited Apr. 19, 2019) (“Clark R. Arrington, General Counsel, Clark R. Arrington is an experienced attorney and educator who has supported socially responsible businesses around the world. Prior to joining The Working World, Clark taught and practiced Business Law in Tanzania and Tunisia. Clark served as Chair, General Counsel and Capital Coordinator of Equal Exchange and has served on the boards of the ICA Group, the Social Venture Network and the Cooperative Fund of New England.”); The ICA Staff, ICA GROUP, https://ica-group.org/ica-staff/ (last visited Apr. 19, 2019) (“Sara Stephens, Legal and Research Consultant, Sara Stephens joined the ICA Group in 2017 as a Legal and Research Consultant. She is an attorney licensed in the state of California with expertise in worker cooperatives and other social enterprises. She is also a Housing and Cooperatives Attorney at the Sustainable Economies Law Center where she supports democratic workplaces and housing communities through legal advice, educational tools, and policy advocacy.”)
in Chicago, the clinic at John Marshall Law School is currently being rebranded from the Business Enterprise Law Clinic to the Community Enterprise and Solidarity Economy Clinic. Other clinics to highlight with a SE practice are Vermont Law School’s New Economy Law Center, Harvard Law School’s Community Enterprise Project, Hofstra Law’s Community and Economic Development Clinic, New York Law School’s Nonprofit and Small Business Clinic, University of Baltimore School of Law’s Community Development Clinic, University of Michigan Community and Economic Development Clinic, American University Washington College of Law’s Community and Economic Development Law Clinic, and CUNY Law School’s Community and Economic Development Clinic. There are also a number of law firms engaged in SE practice including the Tuttle Law Group, Dorsey & Whitney LLP, Gilmore Khandhar LLC, the Law Office of Elizabeth Carter, and Sarah Kaplan Law Office to name a few. Lawyers at these institutions and others are exploring new organizational forms and governance structures, engaging in law reform projects, and structuring relationships between SE enterprises.

III. SE Lawyers are Reimagining the Law

Law reform is a particular point of intervention in which lawyers can add value to the SE movement. In examining the fullness of the solidarity economy movement, there are complex and innovative initiatives that require the exploration of “gray areas” of the law, law reform projects, and the creative redeployment of transactional practice, referred

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71 Community Development Clinic, UNIVERSITY OF BALTIMORE SCHOOL OF LAW, http://law.ubalt.edu/clinics/community.cfm.
75 Our Staff, THE TUTTLE LAW GROUP, http://www.cooplawgroup.com/about#staff.
77 Gilmore Khandhar LLC (@solidaritylaw).
80 David Bollier, Reinventing Law for the Commons, in LAW AND POLICY FOR A NEW ECONOMY 160 (Melissa K. Scanlan ed., 2017) (“Beyond cooperatives, there is a great deal of experimentation going on with new organizational forms, because old structures, whether for-profit or nonprofit, do not adequately recognize and support the types of communiting that people are doing or aspire to do.”); see Policy Reports, SUSTAINABLE ECONS. L. CENT., https://www.theselc.org/policy_advocacy, for a list of advocacy reform projects.
to as ‘radical transactionalism.’ Unlike traditional businesses, SE enterprises do not fit neatly within established laws. The current statutory framework is largely designed to regulate adverse self-interests of economic actors in the mainstream economy, like the employer/employee, landlord/tenant, and producer/consumer relationship. As such, our laws often fail to account for the diverse economic arrangements and overlapping, solidaristic nature of relationships within the solidarity economy. Continuing with the example of a worker cooperative, there are numerous state and federal laws that regulate the employer-employee relationship. Most of these statutes assume that there are two separate and distinct parties, the employer and the employee, that have separate and adverse interests. However, in worker cooperative enterprises, worker-owners are effectively both employees and employers. This leaves significant ambiguity as to whether worker-owners will be classified as an employee under any given regulation or if an employee relationship exists within a worker cooperative business.

In the course of their work, lawyers are well positioned to identify the insufficiencies of the law to address the needs of SE clients. In understanding the confines of the legal framework, lawyers can propose and participate in law reform campaigns that better accommodate the innovation of the SE movement. For example, SELC has been instrumental in a number of policy reform campaigns in California, most recently helping to secure the California Worker Cooperative Act. The statute provides important visibility to California worker cooperatives, and also provides some clarification on the employee classification of worker-owners. The law also confers additional benefits on worker cooperative businesses, including important securities exemptions and limiting the power of “community investors.”

Often law reform efforts are guided by SE organizational coalitions. Lawyers can play an important role within these coalitions. Specifically:

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85 CAL. CORP. CODE § 12253.5 (West 2016) (“’Worker cooperative’ or ‘employment cooperative’ means a corporation formed under this part that includes a class of worker-members who are natural persons whose patronage consists of labor contributed to or other work performed for the corporation. Election to be organized as a worker cooperative or an employment cooperative does not create a presumption that workers are employees of the corporation for any purposes[.]”).
1. SE lawyers can serve as legal translators of the status quo and produce popular education resources on the current state of the law.  

2. SE lawyers can identify which aspects of the law are barriers for the long-term success of the SE movement.

3. SE lawyers can draw upon their experiences in practice to craft legislation that’s responsive to the wider SE movement.

4. SE lawyers can work with government staffers to draft legislation.

5. SE lawyers can provide legal alerts and continuing legal education programs to educate lawyers on updates to the law.

In each of these roles, lawyers can add value and support to the larger SE movement. While SE lawyers are currently doing this work, many more are needed to support local and state law reform efforts.

Beyond law reform, lawyers are also, more daringly, radically reimagining the laws of economic activity. “Radical transactionalism” is the creative redeployment of transactional legal techniques and practices to reimagine and reconfigure the legal building blocks of the economy based upon social and ecological values. One such example is the reimagining of intellectual property law and copyright licensing that gave way to the creation of the Creative Commons license. The Creative Commons license, established in 2001, “provides free, easy-to-use copyright licenses to make a simple and standardized way to give the public permission to share and use creative works.” Created by law professor Lawrence Lessig, Creative Commons is a relatively new innovation that legally allows individuals to share “knowledge and creativity to build a more equitable, accessible, and innovative world.” In the larger scheme of our hegemonic legal underpinnings, this example only begins to scratch the surface of what is possible. Imagine if a group of 1000 SE lawyers, based in communities, actively and collectively began to reimagine the “rules of our economic road.” What would it look like to infuse the principles of equity, sustainability, solidarity, and participatory democracy into contract law, employment law, property law, and the laws of business organizations? The result would be nothing less than a transformation of the current social economic system. Developing and popularizing alternative rules based upon transformative principles can be the beginning of a more just future.

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90 What we do, CREATIVE COMMONS, https://creativecommons.org/about/ (last visited Apr. 3, 2018).

91 Id.

92 Id.

93 Morgen & Kuch, supra note 81, at 587; Will Davies, 20 Public Spirited Lawyers Could Change the World, POTLATCH BLOG (Sept. 23, 2013), http://potlatch.typepad.com/weblog/2013/09/20/public-spirited-lawyers-could-change-the-world.html (“Written rules are one necessary ingredient of a society that hangs together in a certain way. Coming up with alternative rules, making them available to the public, giving them plausibility, is one path to an alternative future.”).
The difference between law reform and radical transactionalism is akin to the difference between reformist reforms and transformational re-imaginings. In the case of law reform, the given policy proposal starts from the status quo and often deals in rigid legal frameworks, as well as the assumptions and ideological underpinnings of the current system. Radical transactionalism as applied to SE lawyering, begins with the principles and values of solidarity economy theory. From there the lawyer deconstructs and re-envisions the legal building blocks of economic activity. This kind of political project and radical reimagining, again, speaks to the creative capacity necessary for effective solidarity economy lawyering.

IV. SE Lawyers are Positioned to Scale the Solidarity Economy

SE lawyers can also add value to the solidarity economy movement by linking and structuring relationships between solidarity economy enterprises. As local communities continue to innovate diverse SE initiatives, the larger part of SE theory and practice is linking these various grass-root organizations in international networks of exchange to build out a just global economy. In other words, the full ambition of the solidarity economy movement is a “pluralistic conglomeration of worldwide economic activities that share a set of core values.” To achieve this goal, the solidarity economy rejects the traditional concept of “scale” and focuses on the meaningful linkage and integration of SE initiatives into larger solidaristic networks. “Scaling-up” the solidarity economy includes the structuring of supply chains and the provision of services between SE enterprises, but also extends to activities of mutual aid and support like collective skill-sharing and workshops, policy advocacy, financing, joint ventures, and the development of solidarity markets. All of these activities serve to move an even-larger share economic activity out of the dominant capitalist sector and strengthen the growing global solidarity economy.

SE lawyers are poised to aid in this important work of scaling-up the solidarity economy. Lawyers are well situated to identify potential scaling opportunities and structure relationships between solidarity economy initiatives. Being few and far between, SE lawyers tend to work with a number of SE enterprises in their specific locales. As a result, SE lawyers can be instrumental in mapping the local solidarity economy, identifying the needs and offerings of existing SE enterprises, and structuring business relationships between SE initiatives by drafting agreements. For example, in 2018, the Business Enterprise Law Clinic at John Marshall Law School- Chicago was commissioned by the Illinois Worker Cooperative Alliance to complete a policy report that included mapping the local worker cooperative ecosystem. Law students in the clinic researched, identified, and interviewed existing worker cooperative businesses, some of which were current or previous clients. The clinic is also participating in a local coalition building effort, Chicagoland Cooperative Ecosystem Coalition (CCEC), that aims to facilitate opportunities for cooperation among cooperatives and supporting technical assistance
Another example is the work of SE lawyers with the Baltimore Roundtable for Economic Democracy (BRED). BRED is a network table of Maryland-based worker cooperatives established in 2016. BRED provides non-exploited financing and technical assistance support to further the local Baltimore solidarity economy. The organization also provides popular education and workshops on cooperative development to the larger Baltimore community. Solidarity economy lawyers in Baltimore have been an integral part of the BRED initiative, and contributed to mapping project of the Baltimore solidarity economy. These examples highlight some of the ways in which lawyers are currently scaling the SE movement.

CONCLUSION

In conclusion, solidarity-economy lawyering is an emerging practice for transactional lawyers. Skilled transactional lawyers are needed to provide direct representation to the increasing number of SE enterprises. If attorneys are to be effective in the endeavor of SE lawyering, they will need to use new creative approaches and utilize every tool in the transactional lawyering toolbox. Specifically, SE lawyers need to have a broad knowledge business law concepts, including the full range of legal entities, commercial law, tax, employment law, intellectual property law, and securities. Beyond a working knowledge of the substantive areas of law, effective SE lawyers will need to embrace the imaginations and experimentations of SE clients, and put the law in service of their clients’ visions. This requires creative capacity and the willingness to explore and advise SE clients on “gray areas” of the law. Navigating this kind of practice also necessitates a meaningful understanding of the client’s context and goals.

The contributions of SE lawyers go beyond the legal structuring of worker cooperatives or community land trusts but fully extend to other transactional legal services and skillsets. Transactional lawyers can play a critical role in 1) advocating for corporate and regulatory reform and creatively reimagining the law to aid the goals of the solidarity economy movement, what others have referred to as radical transactionalism, and 2) “scaling up” the solidarity economy through the linkage of solidarity economy ventures.

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101 BALTIMORE ROUNDTABLE FOR ECON. DEMOCRACY, https://baltimoreroundtable.org/ (“The Baltimore Roundtable for Economic Democracy (BRED) is a coalition of Maryland-based worker cooperatives, advocates, and technical assistance providers committed to building a robust cooperative ecosystem. BRED directs educational and financial resources to historically marginalized communities—especially communities of color that have been excluded from the current economic system.”).

102 Id.


104 Oscar Perry Abello, Closing the Funding Gap for Worker Cooperatives, NEXT CITY (July 8, 2016), https://nextcity.org/daily/entry/red-emmas-working-world-nyc-financial-cooperative (“BRED is basically a network table, it brings together worker-owners from the big cooperatives in Baltimore, one person from DAWN, which is the Democracy at Work Network, and then we have a couple solidarity economy lawyers who are involved, because obviously legal counsel is really useful at this particular moment in building cooperatives.”).

organizations and enterprises. Moving forward, further research and scholarship on SE lawyering should be pursued to address the vast possibilities and legal needs of the solidarity economy movement.