

**The Role of Social and Solidarity Economy in Developing Countries
The Experiences of Tanzania**

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Abstract

There is a growing consensus that Social and Solidarity Economy (SSEs) play significant roles in socio-economic, cultural, and political development in many countries worldwide. However, there is no common definition of the SSEs. For the purposes of this paper SSE refers to specific forms of organizations and enterprises formal and informal, which includes co-operatives, associations, mutual benefits societies, community based organizations, social enterprises and foundations. They are distinct organizations that share certain commonalities that distinguish them from public sector and profit oriented enterprises. Elsewhere they are also known as the 'third sector', "Non-Profit Organizations", or "popular economy".

This paper attempts to discuss the role of SSEs in socio-economic development in developing countries by drawing experiences from Tanzania. The paper identifies five forms of SSEs that actively operate in Tanzania, namely Cooperatives, NGOs, Associations, Foundations and Community based Organizations. The paper notes that all these forms are playing critical roles in the advancement of both economic and social development of individuals, communities, and the nation as a whole through contribution to local development and poverty reduction, employment creation, provision of social services and environmental protection, improved access to financial services, and social protection, and advancement of human rights. Furthermore, they facilitate the promotion of democratic practices and good governance.

The future of SSEs is bright given the growing social and economic ills in the contemporary world. For this reason, developing countries must create conducive environment for SSEs to grow and operate effectively within the national legal and socially acceptable frameworks. However, SSEs also experiences some problems and challenges as well.

Key words: Social and Solidarity Economy, Cooperatives, associations, Social and Economy, Developing countries, and Tanzania