

Social and Solidarity Economy as a Tool for Promoting Economic Growth

Nawel Guellal – Human Development Network



Our
Organization



The 21st century development challenges

- Underemployment, indecent work & **informal economy**
- Growing **inequalities**: income, gender, regional
- Environmental costs of industrialization, high-input agriculture & consumption patterns; **climate change**
- **Women's** empowerment and the care burden
- **Food** and rural livelihood insecurity
- Recurring **crises** (finance, food, fuel, pandemic)
- **COVID-19** pandemic Crisis



- **Angel Gurría, OECD Secretary-General Video Speech for the European Social Economy Summit**
- **Capitalizing on the social economy's potential**
- **68% of the GDP of the EU countries are considered achieved by social economy**
- **Job creation**
- **Economic activity with social and green impact**
- **Resilience in times of crisis**

SSE Challenges

- **Lack of institutional recognition**
- **Financing struggles**
- **Accessing markets**
- **Inadequate of absence of legal framework**
- **Lack of data**

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The need to
rethink
development &
liberalization

- **International policy:** • Rio+20 call for integrated approaches • Post-2015 process to integrate poverty reduction and sustainability agendas
- **At the grassroots:** • Workers, producers & communities are responding in their own ways, individually and collectively

The need for another approach

- **Beyond fragmentation:** • Simultaneously addressing economic, social and environmental objectives
- **Beyond trickle down:** • Needs provisioning, economic & political empowerment & comprehensive social policy
- **Beyond the individual:** • Cooperation & Solidarity

Social and Solidarity Economy (SSE)

- **Forms of production, exchange and consumption with...**
 - 1) **explicit social (and often environmental) objectives (e.g. basic needs provisioning; care services, employing the unemployed, food security)**
 - 2) **values and practices of cooperation and solidarity**
 - 3) **democratic self-management and decision-making process**

The Social and Solidarity Economy Entities



Source: V. van Vuuren 2017,⁵ at the Budapest Conference

⁵ As categorized by the United Nations Inter-Agency Task Force on Social and Solidarity Economy.

Industrial sectors of SSE organizations in Europe

Sample size:
Hungary: N = 122
Romania: N = 109

Portugal: N = 111
Russia: N = 104
China: N = 102

Germany: N = 107
Sweden: N = 106
UK: N = 135
Spain: N = 125

| INDUSTRIAL SECTORS | | | | | |
|--------------------|-------------------------------------|------------------------|-----------|--|---|
| Countries | Other community and social services | Health and social work | Education | Industry, construction and attractive industries | Business activities & business-related services |
| China | 21% | - | 21% | - | 29% |
| Germany | 27% | - | 27% | - | 22% |
| Hungary | 44% | 18% | 16% | - | - |
| Portugal | 19% | 24% | 30% | - | - |
| Romania | 42% | 19% | - | 24% | - |
| Russia | 27% | - | 10% | - | 41% |
| Spain | - | 14% | 17% | - | 40.5% |
| Sweden | 23.5% | 19% | 19% | - | - |
| UK | 26% | - | 13% | - | 34% |

Source: SEFORIS 2016.

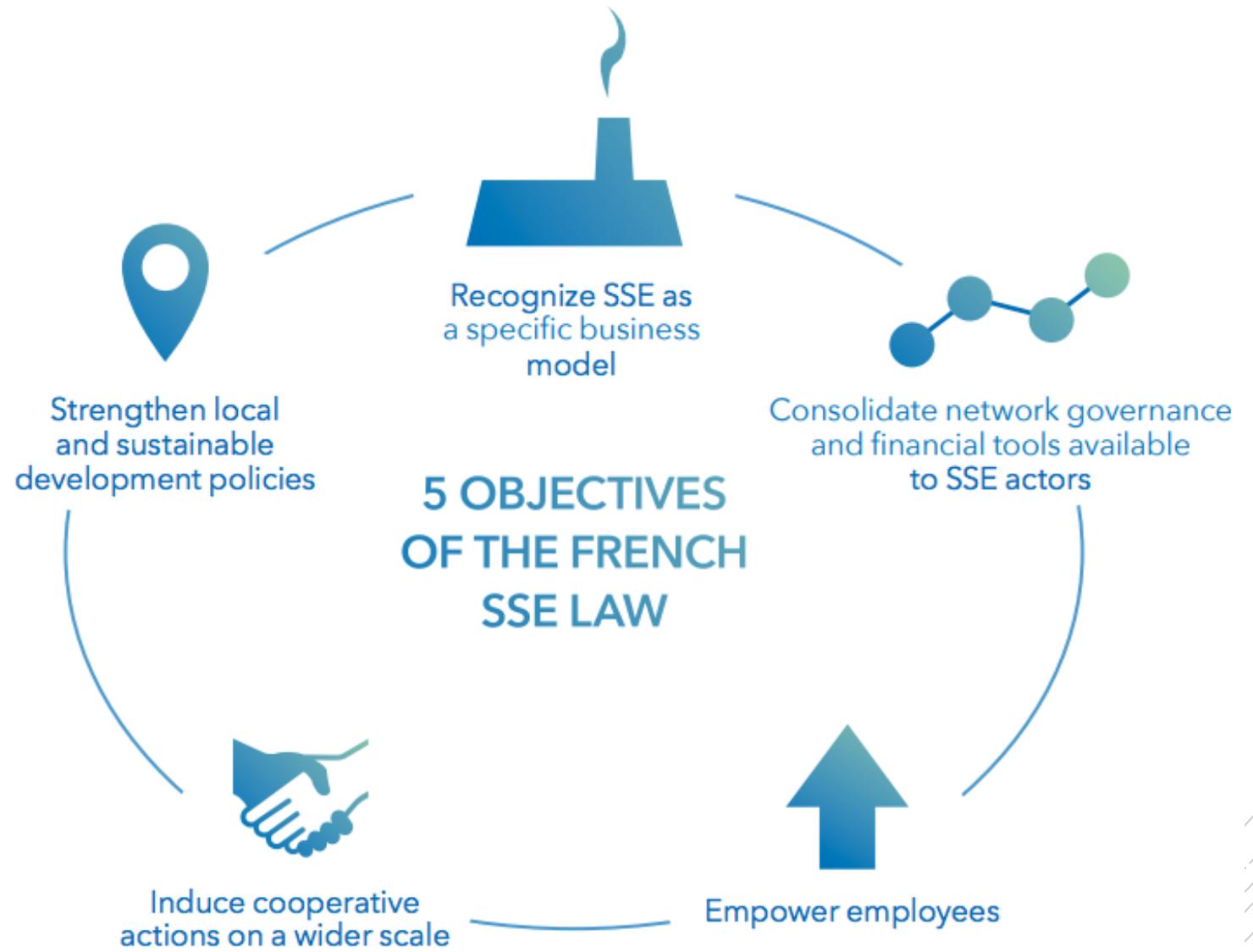
¹² The SEFORIS project was carried out by a large consortium of academic institutions and social enterprise support organizations. See <http://www.seforis.eu/team-partners/>.

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Examples of policy frameworks

- **Armenia**
- **Bulgaria**
- **Cameroun**
- **France**

Objectives of the French law on the SSE

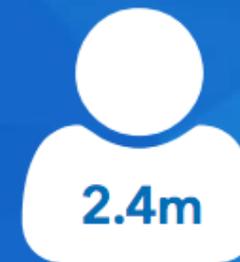


Source: Le portail de l'Économie, des Finances, de l'Action et des Comptes publics 2017.

Key Figures on the SSE in France



10%
OF FRENCH
GDP
REALIZED
BY 200,000
ENTERPRISES



2.4m



12.7%
OF PRIVATE
SECTOR
EMPLOYMENT
IN FRANCE

**2,380,000
EMPLOYEES
REPRESENTING
€ 54 BILLION**



**INCREASE IN EMPLOYMENT
SINCE 2000**

+24%



**600,000 NEW JOBS
UNTIL 2020**

Source: Le portail de l'Économie, des Finances, de l'Action et des Comptes publics, République Française 2017.

Forms of Possible Support for SSE organizations

- **Grants and subsidies**
- **Contracts with/out tenders**
- **Loans and loan guarantees**
- **Tax exemption and tax credits**
- **Procurement policies**

Enabling SSE What should governments do?

- Rethink development : enable communities vs conventional enterprises and individual entrepreneurship
- Recognize the potential of SSE
- Tackle the disabling policy and legal environment
- Safeguard the autonomy of SSE from the State
- Favour co-construction of policies
- Match SSE support with redistribution through the state via social, fiscal, credit, investment, procurement, industrial, training policies
- Adopt multi-scalar policy support: local, state, national and international
- Favour inter-governmental and multi-stakeholders dialogue
- Generate and disseminate knowledge about SSE

Thank you

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