

Social and Solidarity Economy as a Tool for Promoting Economic Growth

Nawel Guellal – Human Development Network



Our
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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

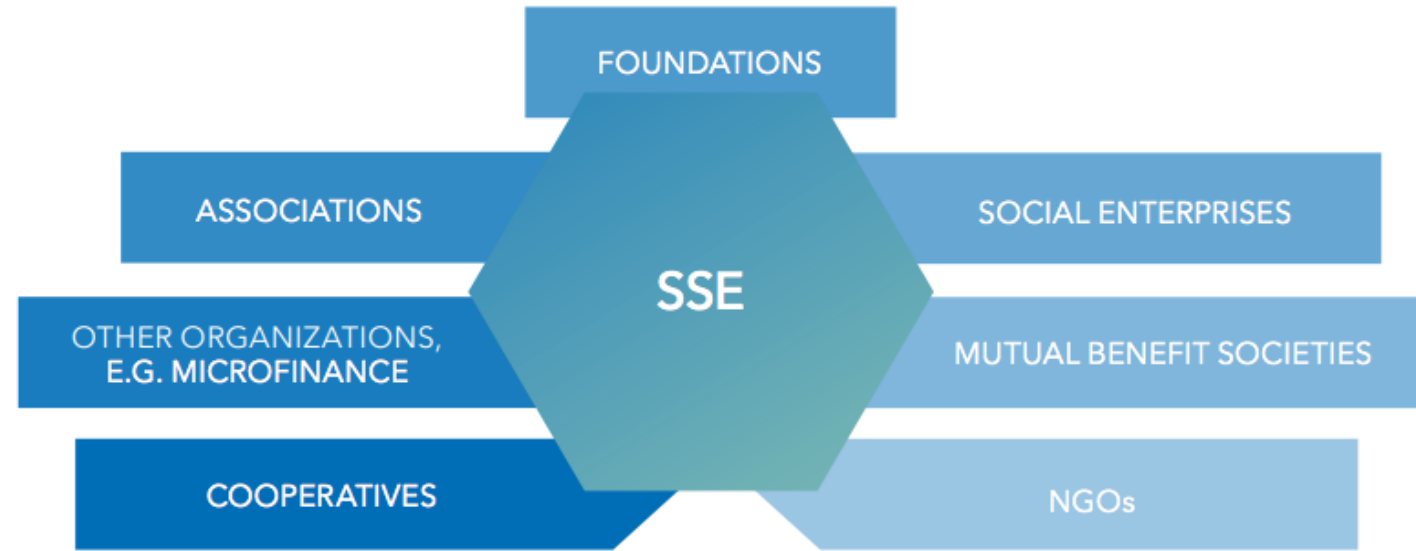
The need for another approach

- 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: SEFORİS 2016.

¹² The SEFORİS 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

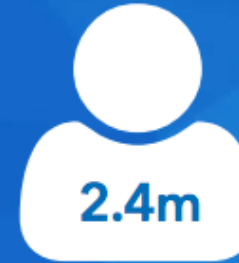


Source: Le portail de l'Économie, des Finances, de l'Action et des Comptes publics 2017.

Key Figures on the SSE in France



OF FRENCH
GDP
REALIZED
BY 200,000
ENTERPRISES



2.4m



OF PRIVATE
SECTOR
EMPLOYMENT
IN FRANCE

2,380,000
EMPLOYEES
REPRESENTING
€ 54 BILLION



INCREASE IN EMPLOYMENT
SINCE 2000



600,000 NEW JOBS
UNTIL 2020

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

The background of the slide features several thin, curved lines in a light gray color, some solid and some dashed, creating a modern, abstract design. On the left side, there is a large orange speech bubble with a tail pointing towards the bottom center. Inside this bubble, the title text is written in white. To the right of the bubble, a list of five items is presented, each preceded by a small orange square bullet point.

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 could 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

Nawel Guellal– Human Development
Network

nawel.guellal@hdn-algeria.org

+213 (0)550 87 59 50

