

# **Cooperatives in Social Development: Supporting Cooperatives as Sustainable and Successful Enterprises**

## **Cooperatives and the Social and Solidarity Economy: Where is the data?**

Prof. PhD. Leandro Pereira Morais  
With the collaboration of Prof. PhD. Miguel Juan Bacic

# Objective of the presentation

- ▶ Carry out a survey and presentation on the elaboration of "metrics" for the SSE;
- ▶ As will be seen, we are in an "experimentation" phase of the process;



# SSE and SDG

## UNTFSSSE



## Harmonious Relationship

- ▶ SSE is considered by the UN as one of the auxiliary paths that can contribute to the implementation of the SDG in their respective territories.

(Morais & Bacic, 2020, 2023; UNTFSSSE, 2022).

# UN Resolution on SSE



- ▶ This finding gains more intensity in April 2023 - 66th Plenary Meeting of the UNGA - approved the Resolution "**Promoting SSE for Sustainable Development**";
- ▶ Resolution provided an official definition of SSE, as well as reiterated the recognition that SSE does indeed contribute to the implementation of the SDGs.
- ▶ Available at: [https://unsse.org/wp-content/uploads/2023/04/N2308675\\_es.pdf](https://unsse.org/wp-content/uploads/2023/04/N2308675_es.pdf)

# SSE measurement...

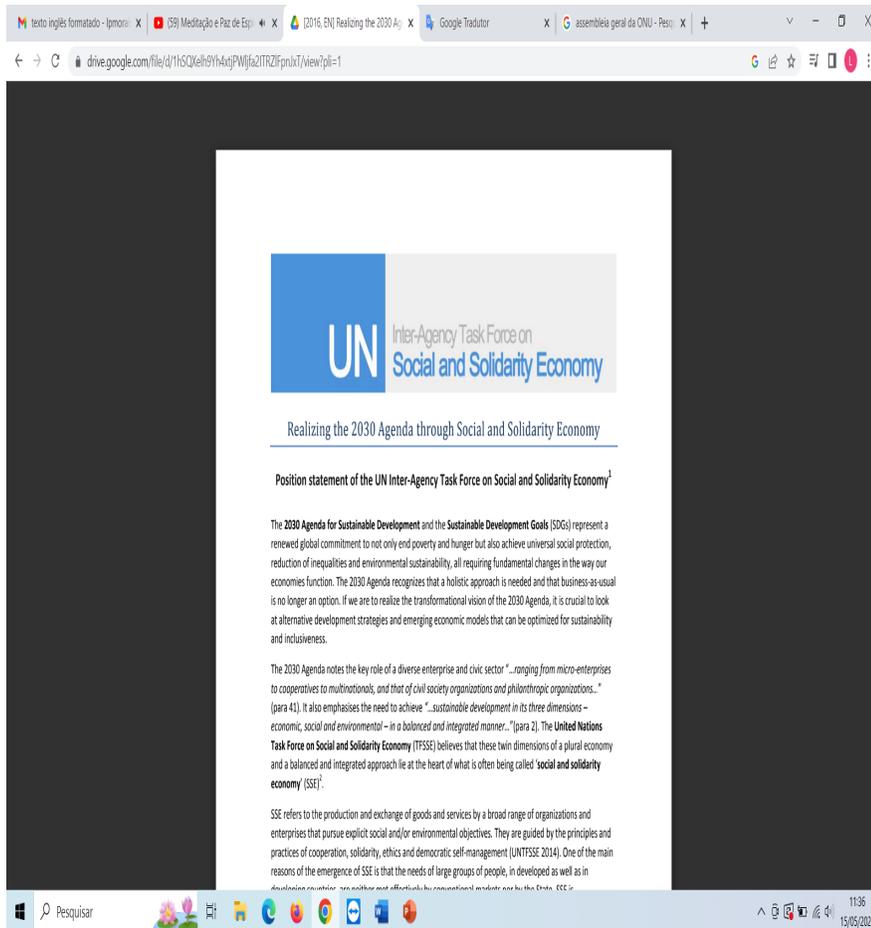
- ▶ How to measure this finding?
- ▶ How to assess and monitor the impacts?
- ▶ How to conceive metrics for this assertion?



# State of the art of SSE quantification globally

Retrospective and international literature survey

# UNTFSSSE (2016)

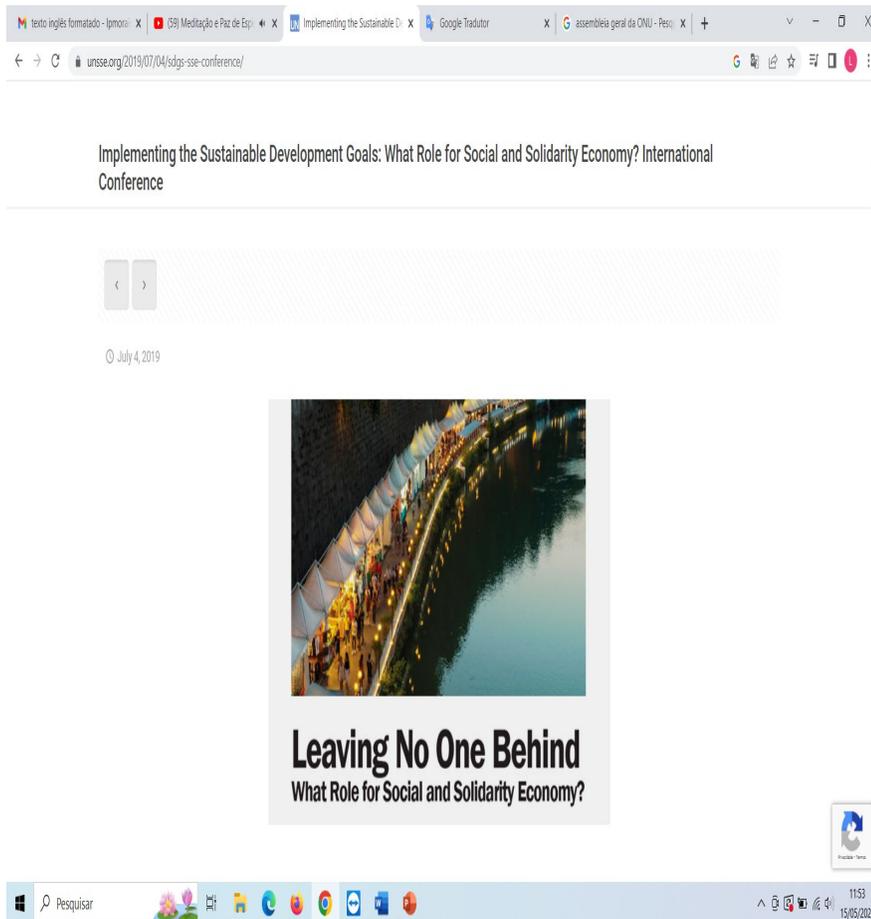


- ▶ SSE contribute to filling the gaps left by the MDGs since they focused on global and national levels, hiding subnational levels of implementation;
- ▶ For the first time, a proposal for a matrix was presented, linking the SDGs and their targets with potential contributions from SSE organizations and entities;

# Utting (2018) and UNTFSSSE (2018)

- ▶ **Utting (2018):** upon observing a context marked by the increasing number of governments promoting policies aimed at supporting SSE organizations and enterprises, proposed evaluating the effectiveness of these policies, under the scrutiny of the SDGs, dividing them into incremental policies and transformative policies > In this analysis, the author contemplated four sectors, namely: food security/sustainable agriculture, access to social services, women's economic empowerment, and decent employment/work >> In his view, although governments' efforts to provide technical and financial resources for SSE were positive, the results were still fragmented, given the incompleteness of regulatory and normative environments;
- ▶ **UNTFSSSE (2018):** UNTFSSSE launched a Global Call for Papers on SDGs and SSE with the aim of identifying and mobilizing research from different regions and territories that critically examined the role of SSE as a means of implementing the SDGs. Out of approximately 300 papers submitted, 99 were selected, paying attention to the balance between countries, gender, and types of SSE organizations. Its authors, researchers from 60 countries, presented them at the ILO in Geneva (Switzerland) in June 2019.

# Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy? International Conference (2019)



- ▶ This meeting allowed for increasing the visibility of the implementation of the SDGs within and outside the UN system, as well as generating inputs for public managers and researchers;
- ▶ Enabled researchers to share and exchange evidence and ideas on the articulation of SSE, different contexts, and the contribution to SDG implementation;
- ▶ Throughout the event, the following questions were addressed: What special characteristics in SSE practices contribute to the SDGs? What is the comparative advantage compared to other companies? Which actors or institutions are essential to create a suitable environment for SDG implementation? What is the possibility of replicating positive initiatives in other local contexts?

SILVA, A.; MORAIS, L.; ÁLVAREZ, J.; MARIOS, D. Characterization of the UNTFSSSE Knowledge Hub – 2019 repository about the relationship between SSE and SDG. In: *UNTFSSSE Knowledge Hub Draft Papers Series*. Geneva: UNTFSSSE, 2022, 28p.

- ▶ One of the themes included in the *Call for Papers* was how SSE measures its scale and impact in a context where statistics often cannot capture the diversity and complexity of its actions and actors, as well as definitions and indicators varying according to the region;
- ▶ The "state of the art" of international studies on this topic;

- i) The articles in the repository are unpublished and were written in 2019, with the exception of two from 2018 and one from 2016;
- ii) The works selected for the repository came from various countries located mainly in the continents of Europe, Asia, South America, and Africa;
- iii) Regarding language, English is the most frequent, followed by Spanish, and to a lesser extent, Korean, French, and Portuguese;
- iv) Although studies on SSE and SDGs have become frequent in recent years, initiatives to call for articles addressing this theme have been scarce;
- v) Regarding the type of SSE entity/organization, it is noted that almost half of the works dealt with cooperatives, to the detriment of other organizations such as NPO's or Social Enterprises of various types;
- vi) By types of SDGs, studies addressed, most frequently, SDGs 8, 2, 5, 1, 10, and 17, in this order;
- vii) Most studies used qualitative methodologies with an emphasis on case studies. On the other hand, concerning quantitative methodologies, none of the articles that used them presented a scientific model to measure the contributions of SSE organizations to SDGs.;
- viii) The statistics presented are merely descriptive without constructs that take into account the correlations between independent and dependent variables. It is understood that this is an exploratory data analysis.

MARIOSÁ, D.; MORAIS, L.; ÁLVAREZ, J.; POLITTI, F.; ALARCÓN, M.; VALENCIA, A.; Does the Social and Solidarity Economy contribute to the reach and accomplishment of the Sustainable Development Goals? A systematic literature review. *International Journal of Innovation and Sustainable Development*. V16, 2022 a, p.538 – 555.

- ▶ Encouraged by the results of last work, particularly with regard to the finding raised in the scarcity of quantitative studies that prove the presumed positive correlation between SSE and SDGs;
- ▶ Starting from the hypothesis that quantitative studies in this area are in an experimental stage, through a systematic literature review, the authors searched for potentially eligible texts in the EBSCO (Academic Search Complete) and Web of Science databases, using the terms "social economy" and "SDGs", from January 2016 to June 2020, in English, Spanish, Portuguese, and French;
- ▶ The results of the systematic review suggest that the selected articles are at different stages of analysis development. It is interesting to note that among these works, some bring us case studies, while others focus on intersectoral specificities through the SDGs, such as the relationship between SSE and the digital economy, the health sector, gender, and climate change.
- ▶ By type of SDG, studies were found that discussed how SSE entities can be relevant to achieving some of the SDGs, such as 2, 8, 14, and 17;
- ▶ Other cross-cutting themes appear, connecting SSE and SDGs to public policies, local development, and international entities;
- ▶ However, the authors conclude that, despite these studies pointing to a promising research field, in general, the "metrics" of the connection between SSE contributions to the implementation of SDGs are not fully developed and, in many cases, the assertions are not supported by mature methodological elaborations;
- ▶ Additionally, in many cases, they present qualitative methodologies without empirical or quantitative evidence. Therefore, it is understood that studies in this area still lack more robust quantitative methodologies

# Other important studies:

- ▶ **UNRISD (2018):** although positive impacts of SSE actions can be inferred in their operating territories, we still experience the stage of *"underdevelopment of methodologies to collect and analyze data on the impacts of SSE"* (p.17);
- ▶ **ILO (2017):** presented an overview of how key SSE variables are measured. However, they present the traditional measurements of employment and product;
- ▶ **Monzón & Chaves (2017):** was conducted for 28 European countries and brought us a leap forward in terms of quantitative SSE information up to 2015. However, they recognize the fact that this task is still in its embryonic stage, understanding it as a challenge for our times;
- ▶ It is also important to mention the efforts made within the **International Conference of Labour Statisticians (ICLS)**, held in October 2018 in Geneva, where methodologies were discussed and addressed that will assist in this great challenge of quantification.
- **Castro & Oreamuno (2017):** suggest a different approach to understanding the impacts of SSE in their respective territories, beyond the traditional quantifications of income and jobs generated. In their view, *"rather than producing specific impacts, cooperatives develop a series of social roles within their communities, which allows them to influence the dimensions of development in a more dynamic way"* (p. 148). In other words, for the authors, complex social phenomena require "holistic" measures and metrics of understanding that, in their methodology and work, were created based on four analytical categories inspired by the *United Nations Human Development Report*, namely: health, education, income, and public goods and services - collective capabilities;
- **Álvarez & Alarcón (2019):** from the theory of cooperative principles and the economic theory of social transfers as a conceptual support for generating a concrete instrument for measuring the contributions of SSE to the implementation of the SDGs;
- **ILO (2020):** proposed methodologies for computing the economic contributions of cooperatives and relating them to some of the impacts generated, although recognizing the numerous challenges that still exist for such aspirations to be effectively realized;

# Other important studies:

- ▶ **Chaves (2021):** was prepared with the intention of serving as a guide for researchers and governments to structure and monitor public policies,. The author justifies the importance of producing statistics for SSE sector. Divides the statistics into three groups: i) quantitative or "standard" economic statistics based on conventional macroeconomic aggregates such as employment, income, etc.; ii) statistics quantifying the impacts of SSE; and iii) comparative statistics between SSE and other traditional companies or entities. Advocates the idea that, in addition to national statistical institutes, universities and research centers should also be responsible for this topic. Finally, the author lists the main obstacles, such as technical skills, lack of funding for statistical work, and lack of political will on this issue;
- ▶ **Bouchard & Salathé-Beaulieu (2021):** provides an overview of the conceptual structures related to SSE and its organizations, as well as the standards related to the construction of statistics for SSE, based on Satellite Accounts and the ILO Guidelines for cooperatives. After pointing out the positive and negative aspects of both methodological approaches, the authors make a set of recommendations for further studies. Among the recommendations, it is mentioned that to increase the relevance and acceptance of SSE statistics, coordination between different public agencies, research institutions, universities, etc., should be strengthened, as well as expanding networks of organizations and researchers in the field. Additionally, it is necessary to identify criteria for establishing clear boundaries that separate SSE companies from other organizations, including the impacts of their actions in economic, social, and environmental terms.

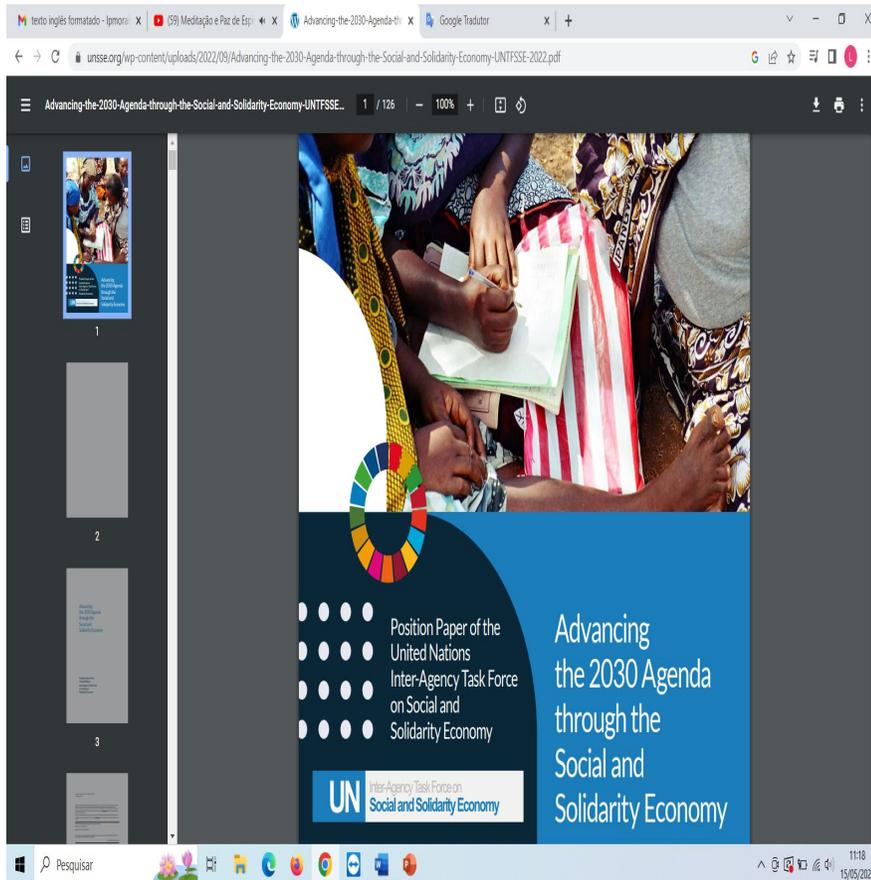
# Other important studies:

- ▶ **Bouchard & Chaves (2022)**: reiterate that the statistical scope of SSE varies from country to country, with some countries completely ignoring SSE in their statistical organizations. Given this finding and the conceptual heterogeneity in each location, the authors present a guide to harmonize the statistics of different subsets of SSE internationally. However, this guide still faces some general use restrictions, given the specificities of each country regarding the establishment of legal and statistical consensus about SSE.
- ▶ **Álvarez & Menezes (2023)**: highlight institutional obstacles that limit concrete contributions from SSE to the SDGs. They mention, in addition to the necessary funding and institutionalization, the difficulties in reporting standardized, verifiable statistical information with the possibility of aggregation. Furthermore, the high level of informality in many of the experiences in LA countries sometimes referred to as the "popular economy" - makes it impossible to account for concrete results that can be periodically included in the social balance sheets required by statistical supervisory bodies and controls.

# Other important studies - SSE local experiences related to specific SDGs

- ▶ **Morais (2020)**: aimed to use a practical SSE experience in a municipality to explain its contributions to implementing some SDGs. The study focused on food production in a settlement in the municipality of Araraquara (SP), specifically through the Association of Seated Women (AMA) of Monte Alegre. This study aimed to initiate reflection on proposals for creating indicators for SDGs 1, 2, 5, 11, and 12 that could be reapplied in other experiences;
- ▶ **Morais & Bacic (2020)**: advanced the construction of these indicators, with a closer look at each of these SDGs. It is understood that the results still need further progress, especially regarding access to data for the development of this type of work. Another weakness found is the need to develop quantitative and qualitative methodologies to move forward in this direction.
- ▶ This observation constitutes an important challenge at the international level. There is a need to quantify (both quantitatively and qualitatively) the socioterritorial impacts of experiences involving various entities of SSE in their respective territories. The complexity of the phenomenon - given its impacts not only on the economy, but also on social, political, cultural, and environmental aspects - therefore requires a mix of quantitative and qualitative methodologies.

# UNTFSSSE Position Paper (2022)



- ▶ Despite the need to advance in methodologies for measuring the results and impacts of SSE entities and organizations' actions in their territories, especially focused on implementing the SDGs, real experiences can already be visualized;
- ▶ At the international level, UNTFSSSE brings us a systematization of some of these experiences and their contributions to achieving the SDGs.

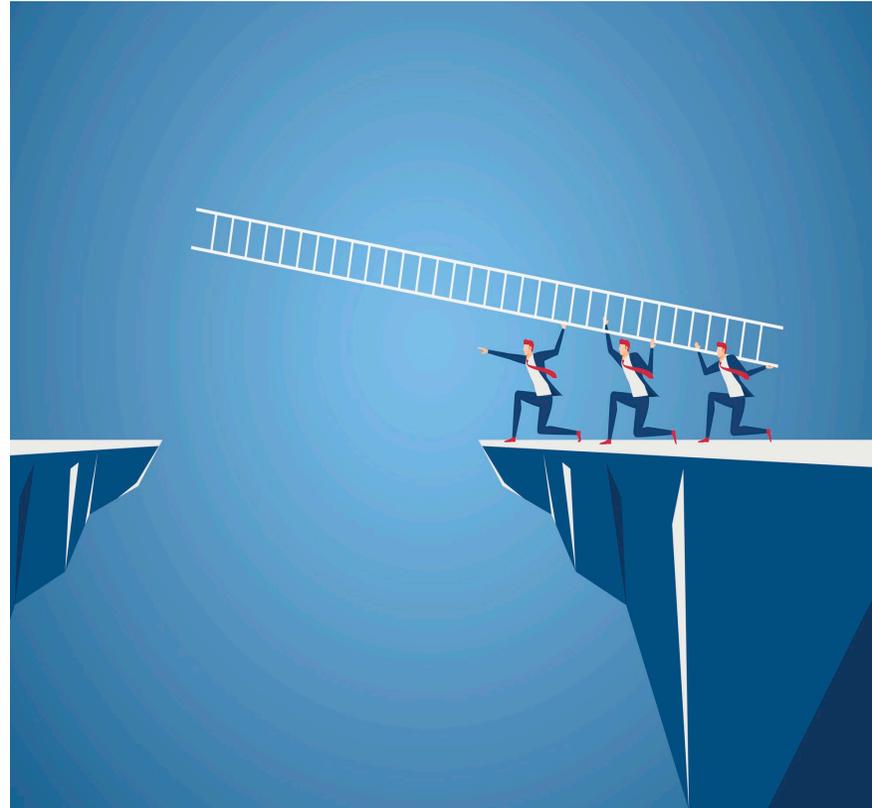
# Recent practical experience (2023)

- ▶ **CIRIECS** (International Center of Research and Information on the Public, Social and Cooperative Economy) of Brazil, Colombia, Costa Rica, Spain and Mexico have conceived the initiative of holding seminars on satellite accounts in SSE in their countries, involving the participation of researchers, government institutions and sector participants;
- ▶ The idea is to discuss the creation of methodologies for the adoption of satellite accounts that can be used in each country and compared between them;
- ▶ This construction is not viable without properly analyzing the existing statistical data in each country;
- ▶ Countries such as Colombia and Mexico have made some progress in terms of SSE's participation in GDP, employment, etc. But the final realization is that there is still a long way to go in order to ensure that the values inherent in SSE, such as local development, women's emancipation, more sustainable productions, etc., can be incorporated, which undoubtedly constitutes a great challenge;
- ▶ It is worth mentioning that the idea of quantifying SSE from the perspective of Satellite Accounts was inspired by the European case;
- ▶ Over the past two decades, both academic institutions and national institutes of statistics and governments have made efforts in this field;
- ▶ In 2006, CIRIEC elaborated a methodology, at the request of the European Commission, to present the recent evolution of the social economy in the European Union, in parallel with the United Nations Manual for Satellite Accounts for Non-profit institutions;
- ▶ **Recent evolution of the social economy in the Union European (2017):** SSE ensures more than 13.6 million paid jobs in Europe; around 6.3% of the active population of the EU-28; the employment of 19.1 million workers, paid and unpaid; more than 82.8 million volunteers, equivalent to 5.5 million full-time workers whole; more than 232 million members of cooperatives, mutuals and similar entities similar; more than 2.8 million entities and companies.

# The challenge of SSE quantification

**The opportunity to discuss this issue in this EGM will be very valuable in terms of prospecting potential advances in this challenge.**

Let's face this challenge together!!!



**References:** Can be made available!!!!

**Thank you!!!!!!**

Prof. PhD. Leandro Morais

[lpmorais@gmail.com](mailto:lpmorais@gmail.com)