

Expanded abstract

Social Economy and covid-19: An international approach

Objectives

The Social Economy has also been affected by the consequences of covid-19, but it has also been a response to the multiple situations that have arisen in all countries. Thus, we find proposals that have emerged from the social economy itself and international institutions have published different documents for the social economy to play a role in these recovery plans: in the case of the European Union, a European Action Plan for the Social Economy is being considered; the OECD created a working group in July 2020 to debate “Social economy and the covid-19 crisis: current and future roles” ; and in June 2020, the United Nations Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) issued a statement entitled “What role for the Social and Solidarity Economy in the post covid-19 crisis recovery?”¹.

The aim of this paper is to examine the role of the social economy at the international level based on the responses of the SSE to the crisis caused by the covid-19 pandemic and the role of the SSE in the future social and economic recovery. To this end, it analyses the responses of the social economy in different territories, Quebec, Colombia and Spain, and the contributions that the social economy can make in collaboration with international institutions.

Methodology

The methodology of the paper is based on a comparative analysis of the responses of the SSE to the crisis caused by the covid-19 pandemic and the role of the SSE in the future social and economic recovery in different territories, Quebec, Colombia and Spain. To this end, a set of elements for comparison is established. Firstly, for each territory, they examine the evolution of covid-19 and its effects on the economy and society and especially on the effect on social and health inequalities. Secondly, they analyse the challenges and strategic responses for the SSE, taking into account the financial, human and technological challenges, the strategic responses and support ecosystems and the recognition of the social economy in each territory.

Results

The analysis suggests that, in Quebec (Canada), the challenges and adaptations at the level of social and solidarity economy organisations are primarily in the areas of financing (working capital), technology (digital transition) and governance (“virtual” democracy). The proactivity

1. https://www.ilo.org/global/topics/cooperatives/publications/WCMS_748794/lang--en/index.htm

of the SSE and its ecosystem during the pandemic has made it possible to maintain its contribution in crucial sectors such as health, access to food and home help, but also its deployment in new activities associated with the needs generated by covid-19.

It is also observed in Quebec that the local territorial scale is a very important level in the ecosystem, with SSE organizations cooperating with each other, but also with local public actors, philanthropic foundations and even traditional businesses. It is probably at this scale that the needs are clearest and where actors are best placed to know where and how to deploy resources. At the meso level, SSE associations and inter-sectoral and federative networks have contributed to the dissemination of information and the study of the effects of the pandemic on their member organisations, which has made it possible to make specific demands on public authorities.

Among the conclusions that can be drawn from the Quebec case, we can see that the recognition of the SSE by the different levels of government consists, first of all, in offering the SSE the same conditions as private sector companies, including the possibility for non-profit institutions (NPISHs) to receive loans. So, good news, NPIs are recognised as “enterprises”. However, the fact that no specific measures are proposed (unless we are mistaken) for the SSE shows the other side of the coin: the SSE is being trivialised. The Social Finance Fund that provides funding for scaling up (growth) of enterprises to increase their effects (impacts) is also good news from the point of view of the Canadian government’s recognition of the SSE. However, it is a logic of investment and return on investment, which places the SSE in a model with a clear neoliberal bias.

The solidarity economy and its actors in Colombia have gained visibility and recognition within a state that is fragile due to the constant onslaught of the pandemic, protests and falling tax revenues. The latent concern is that this renewed interest is merely instrumental, and does not constitute an economic strategy to balance traditional orthodox economic policies, and encourages the creation of new organisations for economic reactivation that are then not accompanied.

The main actions to mitigate the effects of the pandemic in Colombia have been in the areas of finance, digital transition and the co-construction of public policies for the development of the solidarity economy. Mobilisation to provide food to vulnerable populations, improve marketing channels and local purchases are also strategies that have been highlighted in the midst of the pandemic.

The social economy and its actors, in Spain, strengthened recognition within Spain and the European Union. Responses to the crisis included initiatives of resistance, recovery and reinvention. In this process, they were supported by national plans to strengthen the social economy and by EU funds for the development of a zero-emissions green economy based on technologies and where social economy enterprises are, due to their capacity for resilience, maintaining employment and their local vocation, a fundamental link for economic reactivation and the transition towards a more sustainable economy. The main actions to mitigate the effects of the pandemic were in the areas of maintaining jobs, digital transition and co-construction of public policies for its development.

Conclusions

On the basis of the observations made in Quebec (Canada), Colombia and Spain, it is possible to identify common signs of social economy action. Regardless of the country concerned, the responses of social economy enterprises are concentrated in the areas of direct emergency aid, financial support, technological adaptations in business management, digital transition and co-construction of public policies. The proactivity of the social economy during the pandemic has enabled it to maintain its contribution in crucial sectors such as health, access to food and home help, employment, marketing, linkages with local producers and the production of health inputs.

It remains a challenge to articulate international experiences due to the lack of comparable measurements, given that organisational contents vary from country to country, ranging from business components of a predominantly cooperative nature (such as Colombia), to components that broaden the scope of impact alongside non-profit institutions serving households, as in Canada and Spain. The economic, political and social contexts are also very different, making international comparison difficult.

Another component to be highlighted is the structuring of an institutional ecosystem that recognises the challenges of the social economy to act in the markets, in the midst of the pandemic and with the challenge of being a protagonist in the reactivation. This ecosystem has an incipient state but is tied to the distinctive features of the social (solidarity) economy in Colombia, a more consolidated state in Quebec (Canada), but at the risk of assimilating promotion with capital enterprises, and a more consolidated state in Spain that seems to articulate state solutions to the long tradition of the social economy as an agent for generating and maintaining jobs, supporting communities of proximity and generating inclusive economic circuits.

The pandemic is revealing and exacerbating inequalities. In the three cases studied, the response capacity of SSE actors is exemplary and offers lessons that can be drawn from one country to another. Further research is needed to deepen this reflection. Nevertheless, these observations lead to the conclusion that the SSE needs to be recognized as a key actor not only to mitigate social and environmental inequalities, but also to contribute to their sustainable containment.