

Social and solidarity economy among the cities and regions of Southern Europe:

An outlet for NEETs?

Under the Special Session:

“Recent transformations in the urban and regional labour markets of the European South: unemployment, NEETs and uneven development ”

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17ο ΕΘΝΙΚΟ ΕΠΙΣΤΗΜΟΝΙΚΟ ΣΥΝΕΔΡΙΟ
«Έρευνα, καινοτομία, ανταγωνιστικότητα και
τοπική και περιφερειακή ανάπτυξη»

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For centuries people have used to interact and transact with each other, by exchanging goods or sharing non-rival goods
(Belk, 2010).

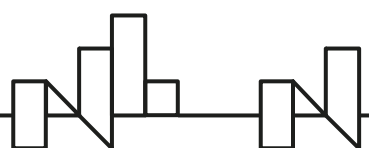
The de-growth conception is aiming at more equitable and resource-efficient co-use of infrastructures, goods, services and knowledge, with the “redistribution of wealth and the need to live within the boundaries of the Earth’s ecosystems”
(Krueger et al., 2018).

Current Global Economy Trends

- value creating alternatives on production and consumption modes
- labor underutilization, flexibility, new forms of work
- capital switching and spatial fixities
- diverse economies based on de-growth concept
- re-activation of social economy promoted by public policies

General Framework

- persistent world-wide economic recession/weak growth
- increased refugee movements
- NEETs’ rate increase
- 4th industrial revolution
- high diffusion of networking applications
- globalization/ glo-calization

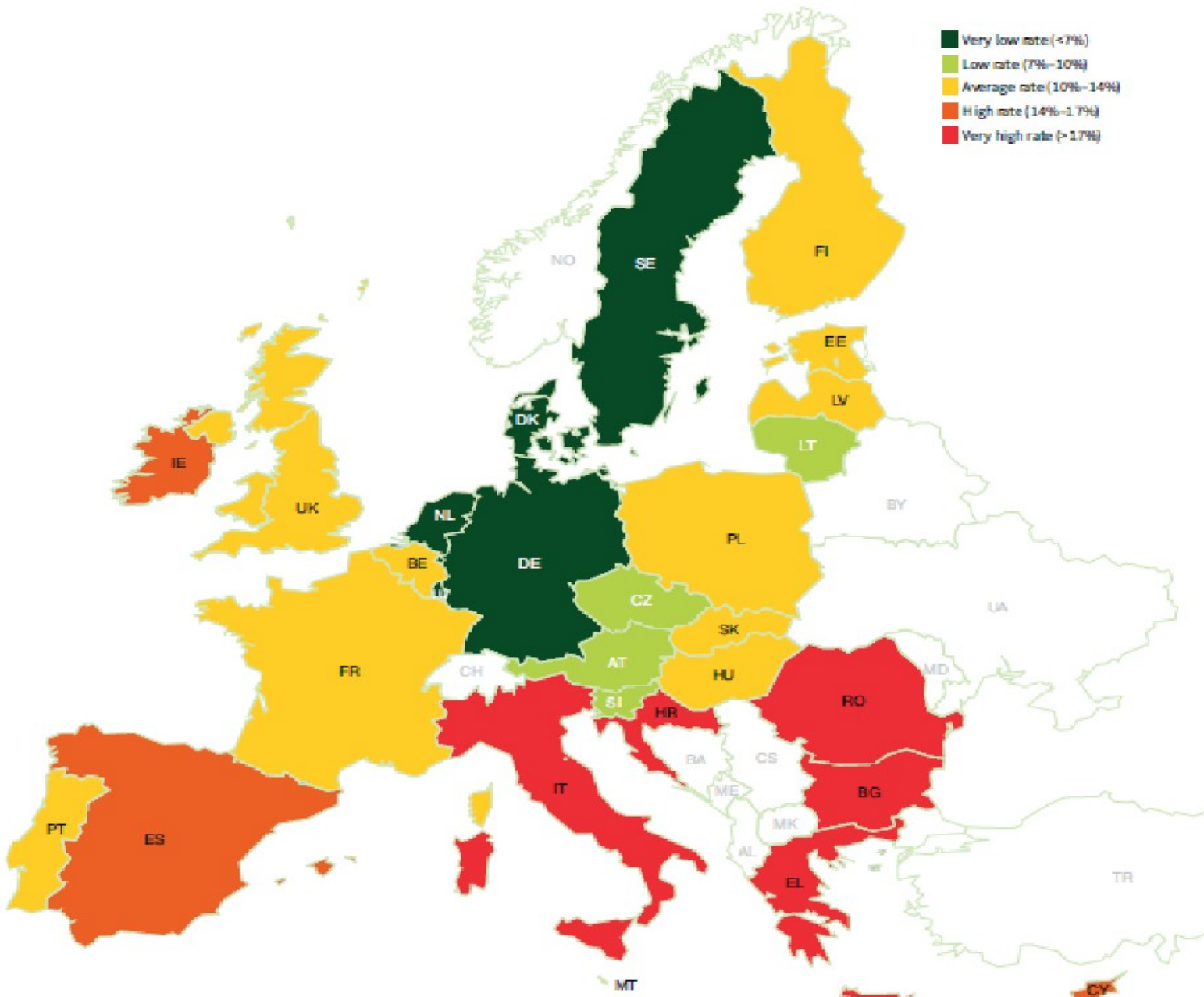


Purpose of the Study

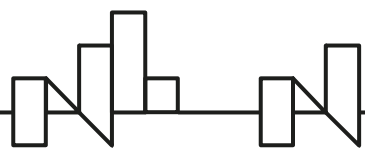
- assessment of the impact of social economy policies on youth unemployment (focus on NEETs 25-29) in MED EEA (Greece, Cyprus, Italy, Spain)
- discussion of social economies’ spatial dimensions
- dispute of the effectiveness of the social economy practices against youth unemployment

Methodology/Theoretical Framework

- literature review and secondary data analysis
- Geographical Cultural Political Economy and other Radical Political-Economy approaches



Study Regions	Greece	Cyprus	Italy	Spain
Regions	13	1	22	19
National Data Source	<ul style="list-style-type: none">• Helstat• Special Secretariat for Social and Solidarity Economy (SSE) of Hellenic Ministry of Labor and Social Affairs	<ul style="list-style-type: none">• ACS	<ul style="list-style-type: none">• Istat	<ul style="list-style-type: none">• Spanish Ministry of Labor Migrations & Social Security
Data Source	Eurostat, European Commission, Eurobarometer			
Time	2016	2019	2016	2018



Not in Employment, Education or Training

persons who are involved in the two conditions below

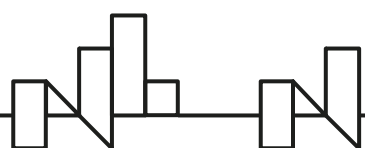
- “they are not employed” or
- “they have not received any formal or non-formal education or training in the four weeks preceding the survey”

NEETs:

- short-term unemployed
- long-term unemployed
- unavailable due to family responsibilities
- unavailable due to illness or disability
- discouraged workers
- re-entrants
- other inactive

$$\text{young NEETs} = \frac{\text{young people not in employment, education or training}}{\text{total number of young people in the specific age group, by gender}}$$

NEETs in Mediterranean EEA are a structural problem rooted in the local socio-economic patterns and affected by global factors. Coastal and insular regions are more vulnerable due to the fragmented terrain and intense tourist development. The project’s response follows a targeted methodology that is theoretically-informed and empirically-grounded



Social economy

A blurring of sector boundaries [...] in addition to innovative not-for-profit ventures, social entrepreneurship can include social purpose business ventures, such as for-profit community development banks, and hybrid organizations mixing not-for-profit and for-profit elements
(Certo & Miller, 2008).

The set of organizations that do not belong to the public sector, operate democratically with the members having equal rights and duties and practice a particular regime of ownership and distribution of profits, employing the surpluses to expand the organization and improve its services to its members and to society
(Monzon & Chaves, 2008).

Social Economy: a “third system” between the private and the public sector, aiming at solutions of social problems and sharing common values, such as:

- Serving the community
- Voluntary and open membership
- Autonomous management
- Democratic governance
- Primary of collective interests over capital accumulation

Social Economy includes:

Social enterprises:
which use business principles to pursuit social aims:

- either for profit,
- or not-for-profit.

Social businesses:
having as purpose to solve social problems in a financially sustainable way:

- for profit.

Social enterprises/businesses are generally organized in the following groups:

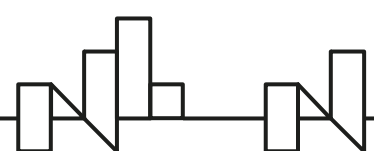
Foundations

Mutual societies

Co-operatives

Associations

Other social enterprises & volunt. organ.



Social Economy against youth unemployment

Aims

In contrast to McMurtry, Westlund (2003) argues that the social economy and the commercial economy should be viewed as “parts of a continuous spectrum” rather than as distant extremes.

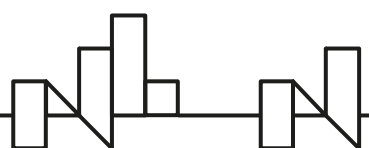
Social and economic enterprise and entrepreneurship make this a stark issue because they force the juxtaposition of social and economic outcomes.

*This goes beyond the so-called ‘**triple bottom line**’ to another level broadening out from the enterprise itself and its stakeholders to wider society.*

- social solidarity, democracy and socio-economic development
- stable and sustainable economic growth
- reciprocity with economic, social and environmental value
- social integration, employment of disadvantaged groups
- innovative business models, collaborative networks of interorganizational and intersectoral nature

Relevant policies and ways of implementation

- job numbers increase
- survival rates similar to or better than those of mainstream businesses
- reproduction of growth orientated profit-driven business models
- flexible or precarious employment reproduction, lower job satisfaction
- with the increase of employment rates remaining questionable
- alternative solution to social Welfare State

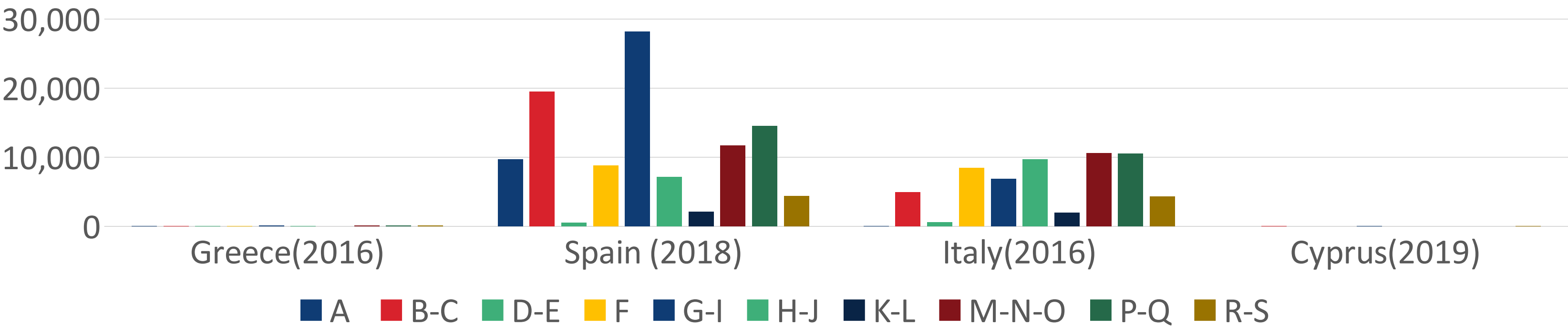


Social Economy in Study Regions

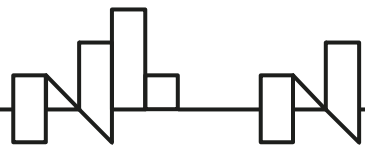
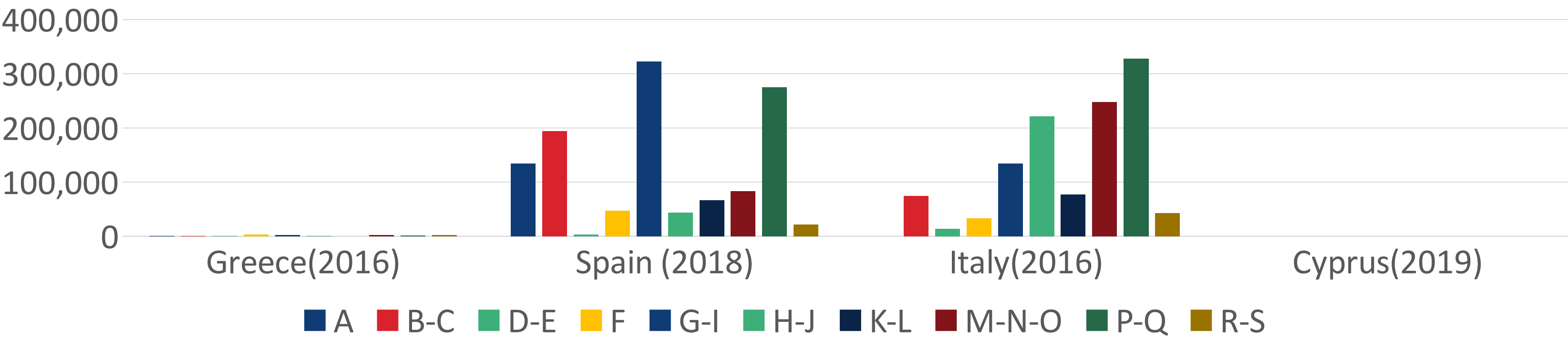
Sectors

- A: agriculture, forestry and fishing
- B: mining and quarrying
- C: manufacturing
- D: electricity, gas, steam and air conditioning supply
- E: water supply sewerage, waste management and remediation activities
- F: construction
- G: wholesale and retail trade
- H: transportation and storage
- I: accommodation and food service activities
- J: information and communication
- K: financial and insurance activities
- L: real estate activities
- M: professional, scientific and technical activities
- N: administrative and support service activities
- O: public administration and defense
- P: education
- Q: human health and social work activities
- R: arts, entertainment and recreation
- S: other service activities

number of SE per sector in MED EEA countries



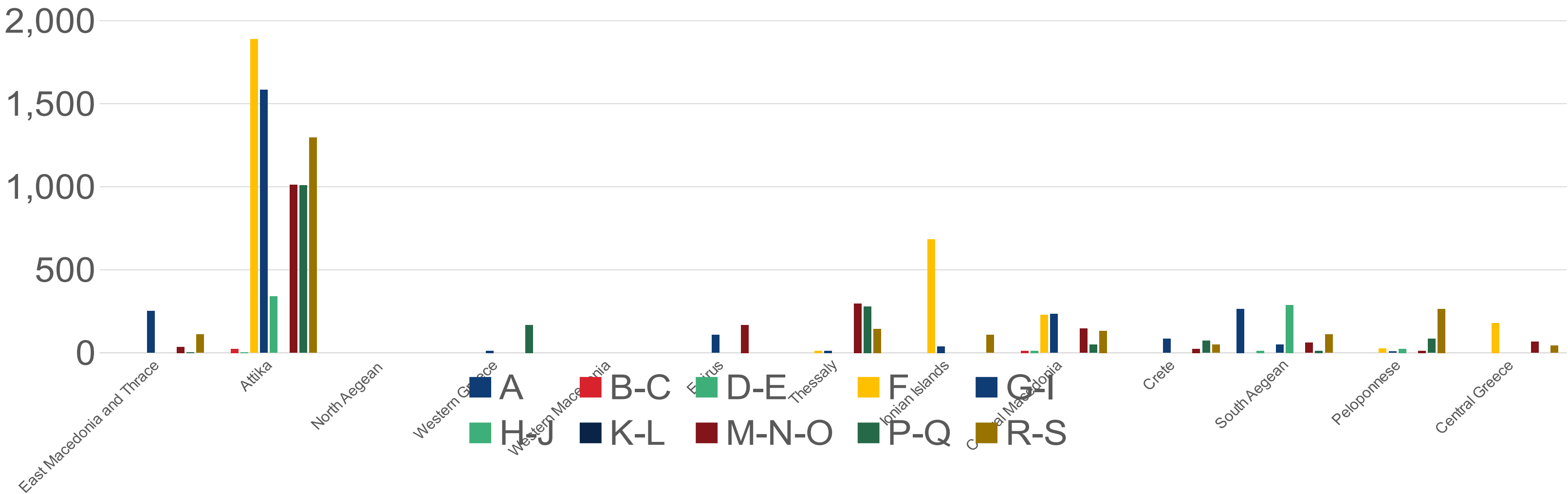
number of employees in SE per sector in MED EEA countries



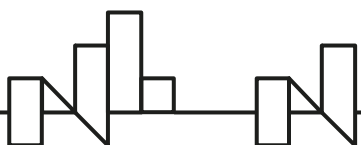
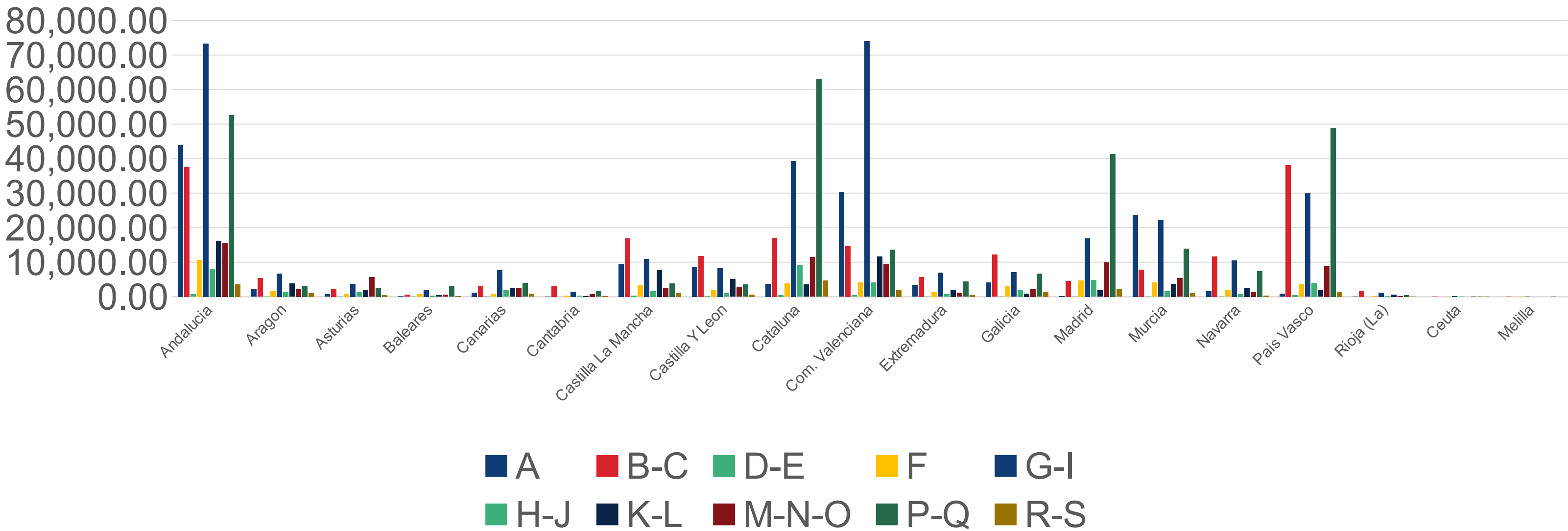
Social Economy in Study Regions

- *low rates of SE, higher rates in SE employment*
- *wholesale, retail trade and accommodation are the dominant sectors of SE in Spain, referring to employment rates*
- *construction is the dominant sector of SE in Greece, referring to employment rates*
- *education and human health are the dominant sectors of SE in Italy, referring to employment rates*
- *wholesale, retail trade and accommodation are the dominant sectors of SE in Greece and Spain, referring to number of entities*
- *higher SE employment rates are mainly located in more populated regions*
- *the revenue of Greek SE for 2016 is 6% of GDP of the same year in Greece*

number of employees in SE per sector in Greek regions (NUTS2)



number of employees in SE per sector in Spanish regions (NUTS2)



Social Economy in Study Regions

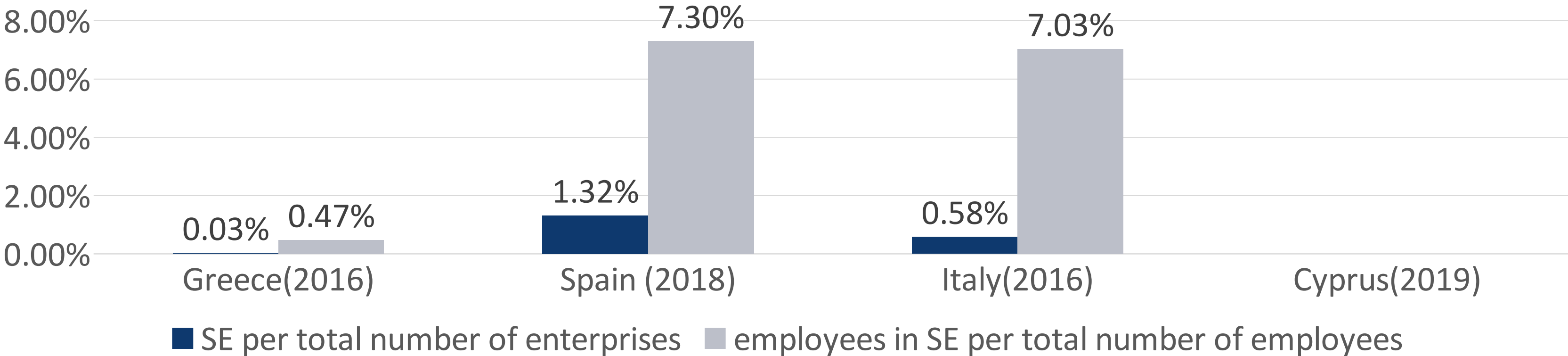
- low rates of SE, higher rates in SE employment

- regional differentiations of SE and SE employment rates

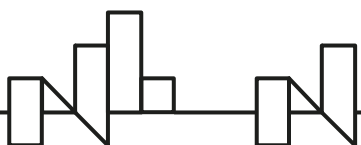
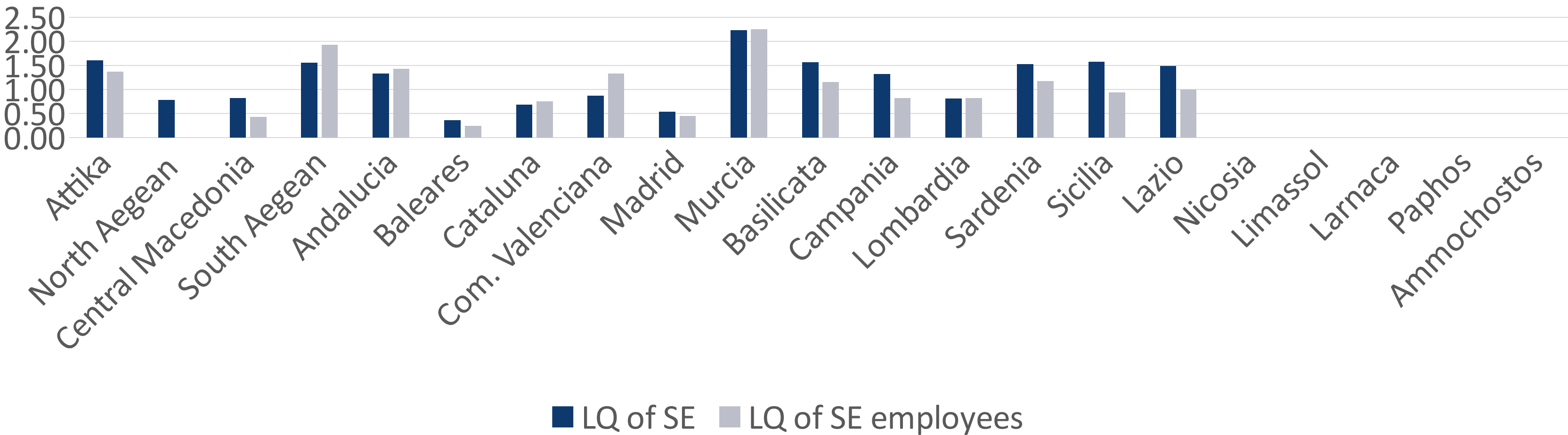
- $LQ: Location\ Quotient = \frac{E_{ir}}{E_r} / \frac{E_{in}}{E_n}$

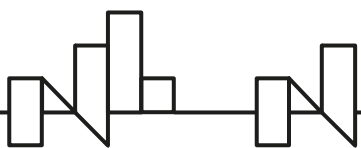
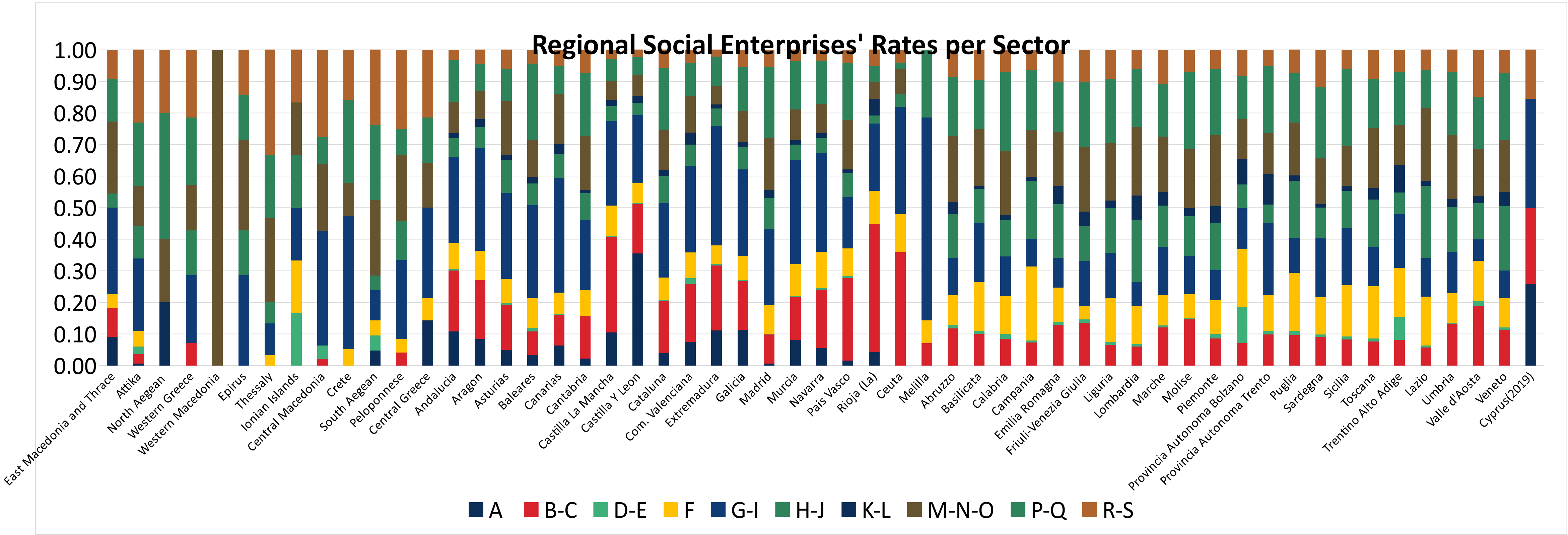
- $LQ > 1,25$: over-concentration of the phenomenon

percentage of SE and SE employees per total in MED EEA countries

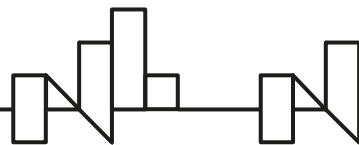
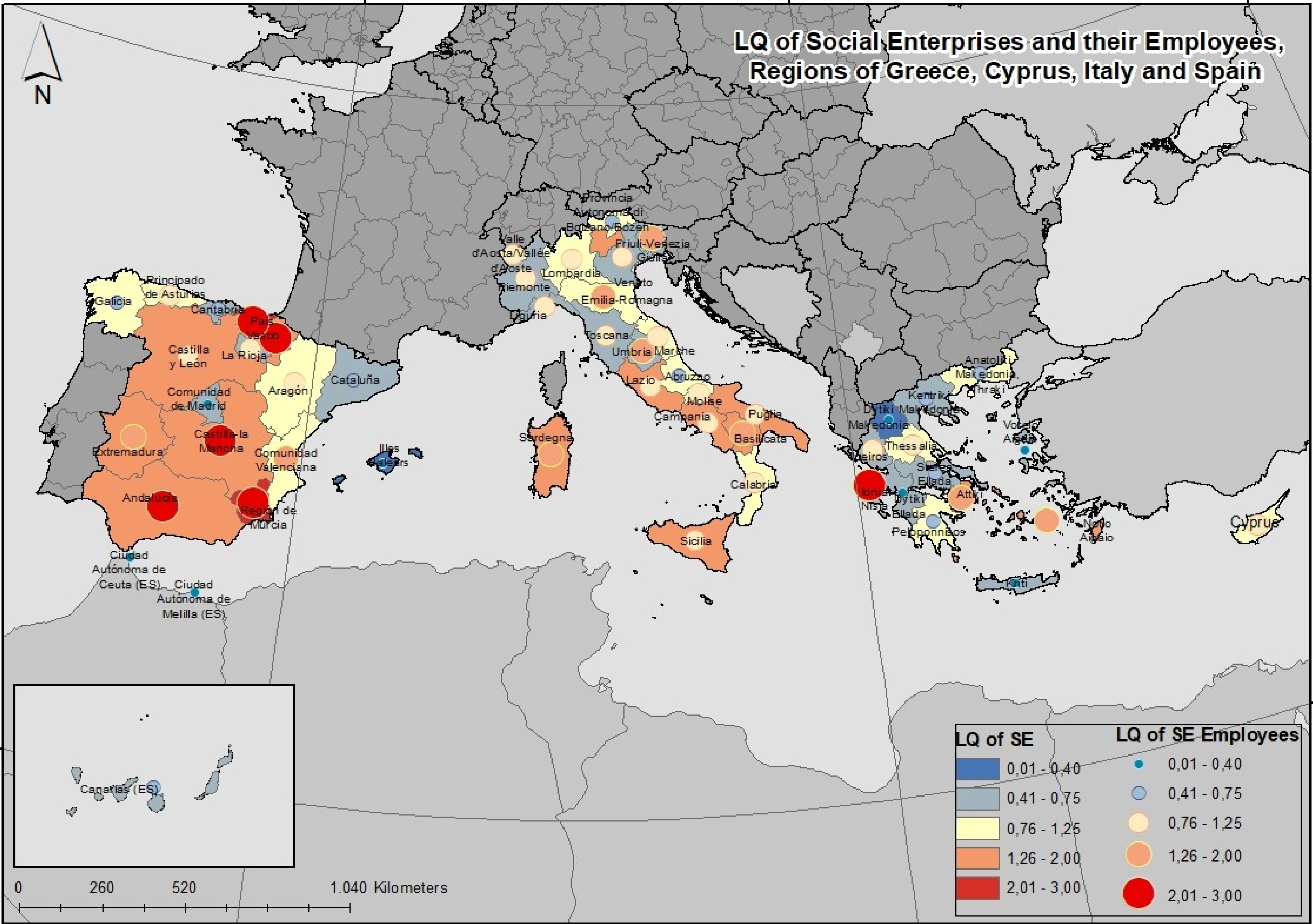


LQ of SE and SE employees in regions (NUTS2)

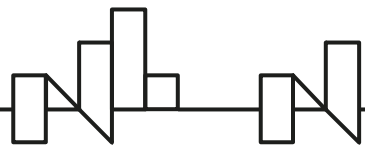
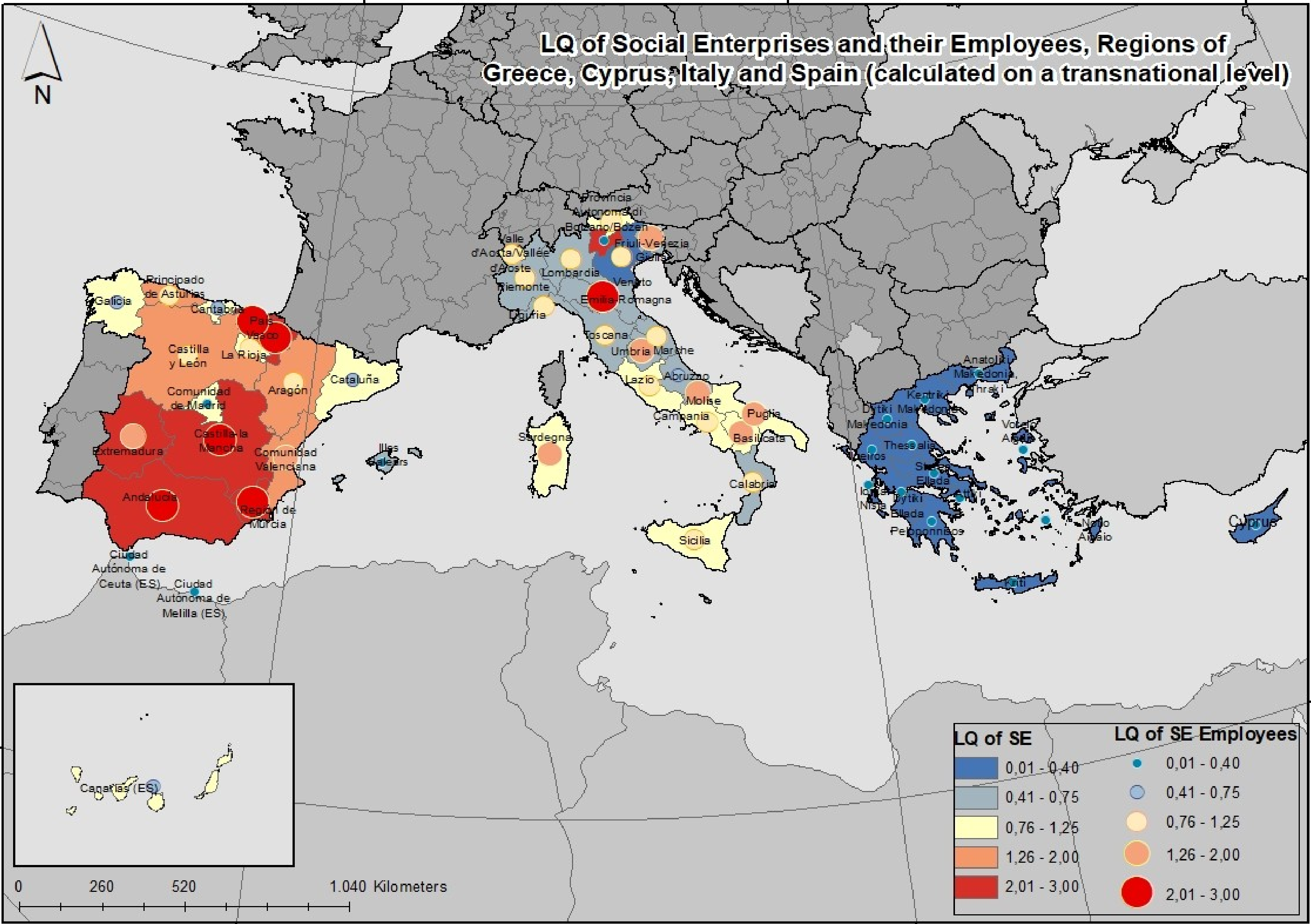




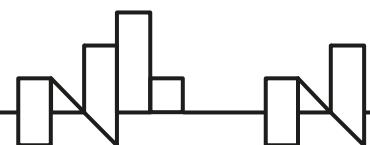
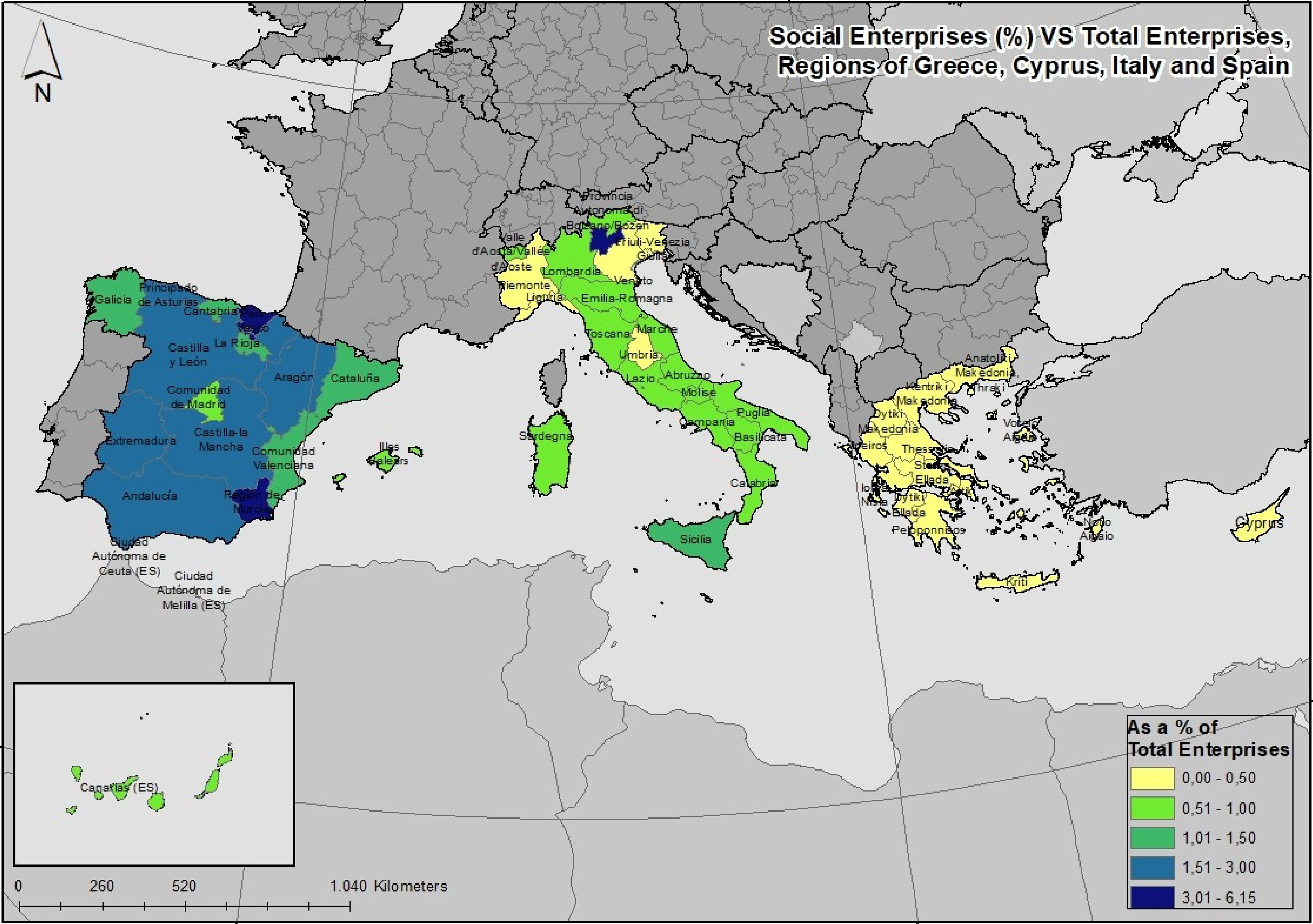
Social Economy in Study Regions



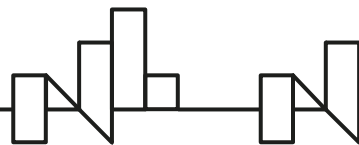
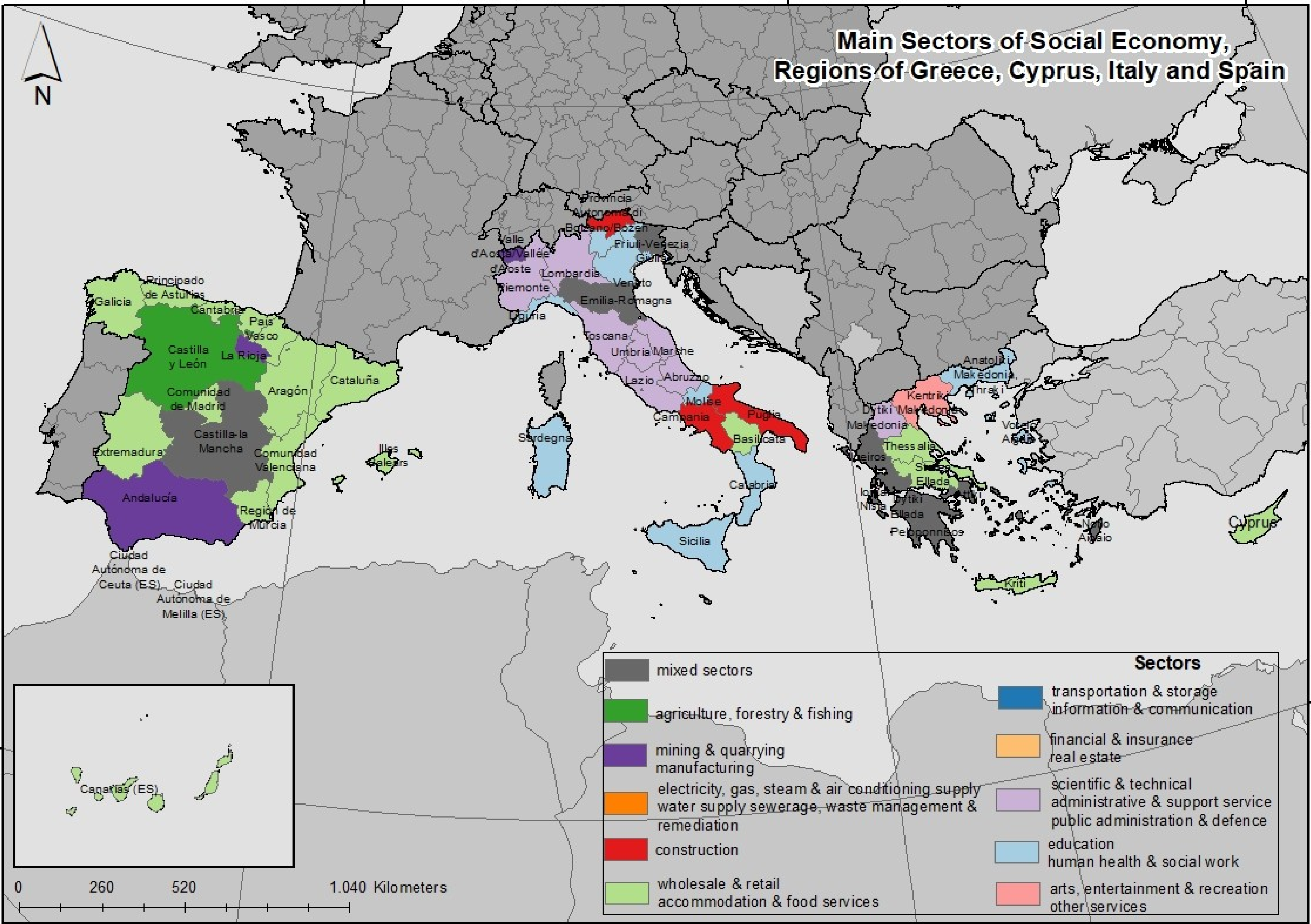
Social Economy in Study Regions



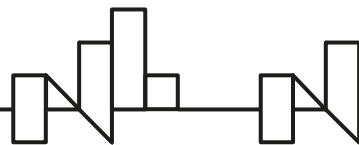
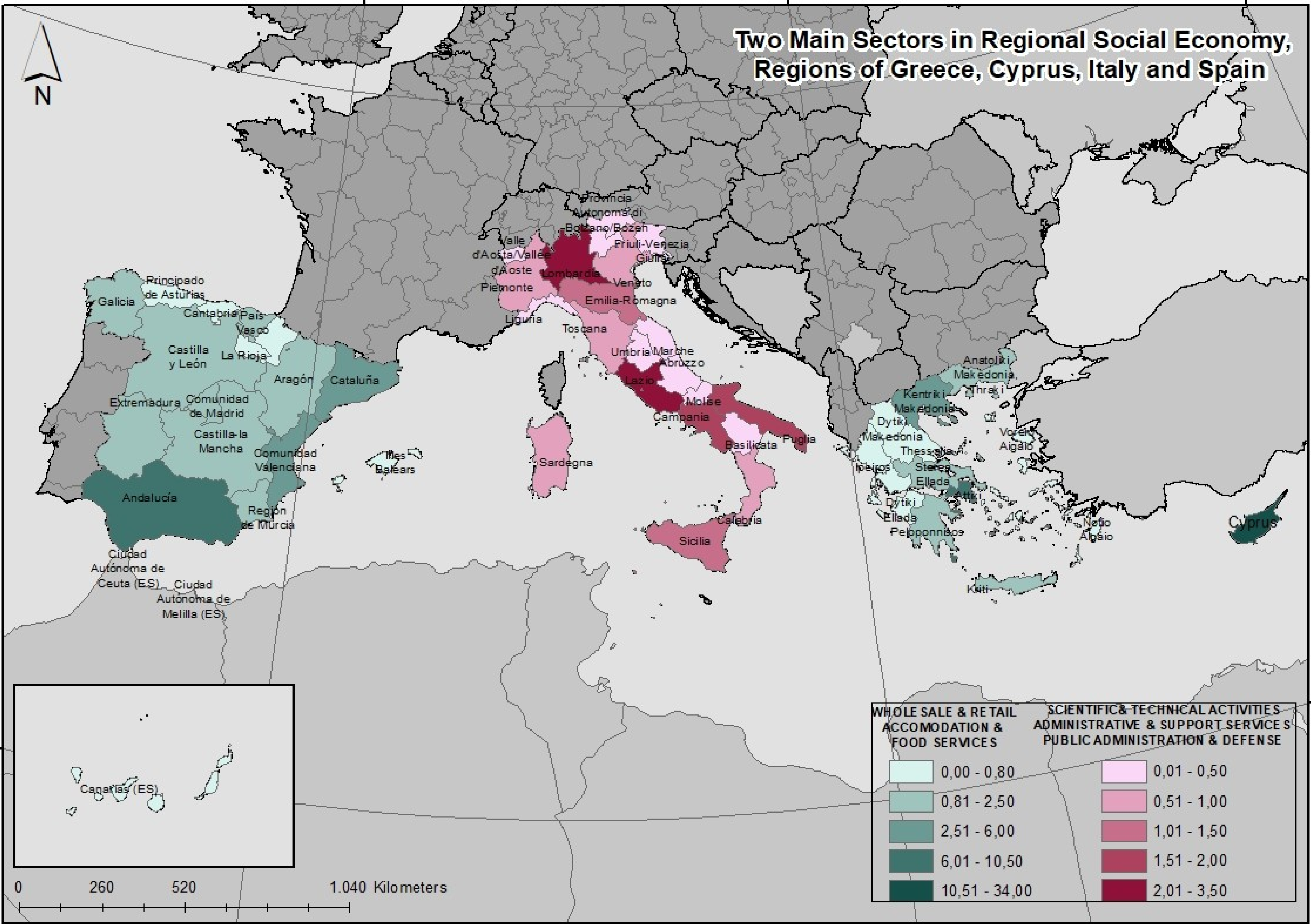
Social Economy in Study Regions



Social Economy in Study Regions



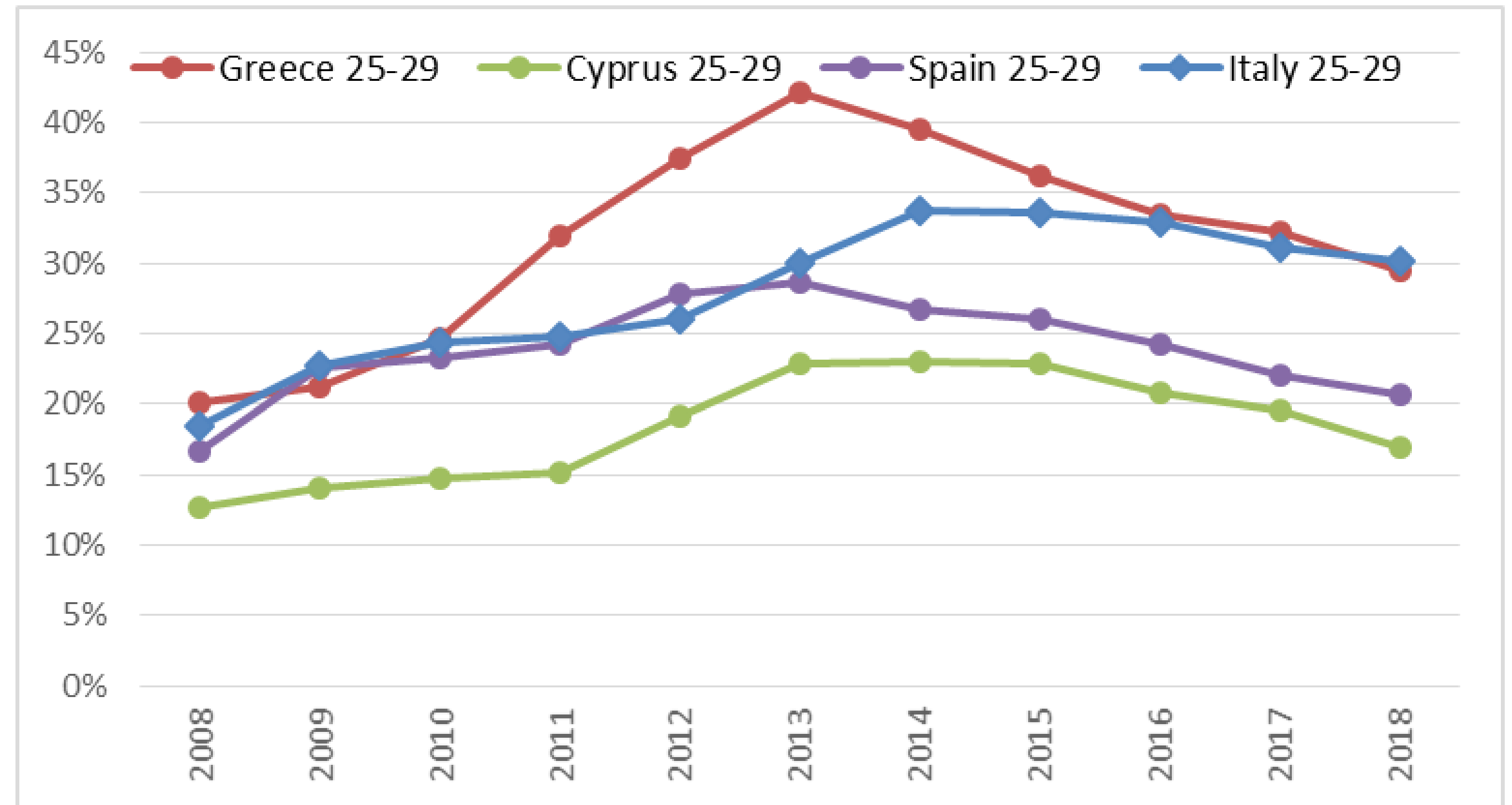
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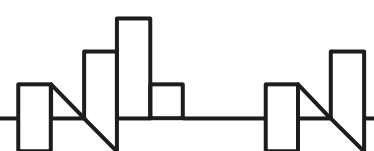
NEETs in Study Regions

Youth unemployment reached in 2013 its highest level since EU's establishment (Eurofound 2016), forced relevant institutions and researchers to analyze and better monitor youth's 'absence' from the social structures in order to promote policies that may harness youth vulnerability.

NEETs in Mediterranean EEA are a structural problem rooted in the local socio-economic patterns and affected by global factors. Coastal and insular regions are more vulnerable due to the fragmented terrain and intense tourist development. The project's response follows a targeted methodology that is theoretically-informed and empirically-grounded



NEET rates in study regions (25-29)



Unevenness between regions using the LQ index

LQ index:

for analyzing uneven concentration:

$$LQ = \frac{E_{ir} / E_r}{E_{in} / E_n}$$

LQ > 1,25 – over-concentration

LQ < 0,75 – de-concentration

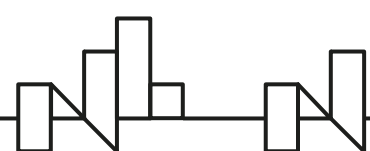
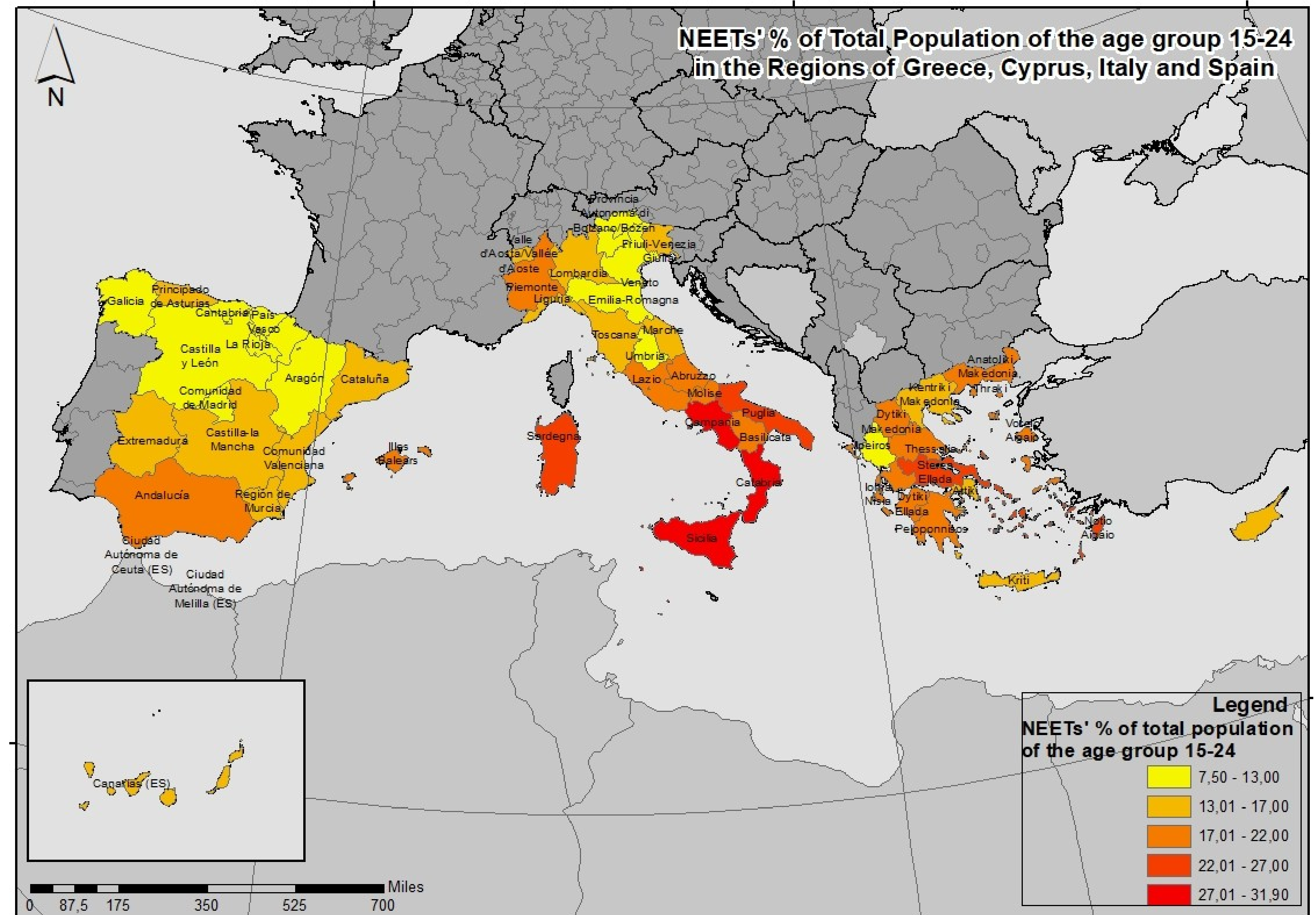
Attica, Madrid, Lazio: de concentration

Greece: insignificant uneven concentration

0,8 < LQ < 1,3

Spain: 0,8 < LQ < 1,2 in all regions,
except Andalucia, LQ = 1,4 in 2018

Italy: South regions < 1,2 < LQ < 1,9
over-concentration



Different types of enterprises in Greece, Spain, Italy and Cyprus that belong to social economy		Main criteria							
		Must include special or vulnerable groups	Must contribute to sustainable development or/and provide social service	Must belong to the employees	Must be non-profit	Restrictions on profit distribution	Restrictions/ guides on the management (e.g. democratic participation)	Autonomy (e.g. independence from the public authorities)	Restrictions on the enumerations of the members
GREECE	GENERALLY (guiding principles)		•				•		
	- Social Cooperative Enterprises	• ¹	•						
	- Workers' Cooperatives								
SPAIN	- Agricultural/ Urban Cooperatives		•			•	•	•	•
	GENERALLY (guiding principles)		•			•	•	•	
	- Co-operatives						•		
	- Employee-owned Companies			•					
	- Mutual Societies		•		•		•		
	- Special Employment Centers	•	•						
	- Social Integration Enterprises	•	•			•			
	- Fishermen's Guilds		•		•				
ITALY	- Associative Movements		•						
	- Social Economy Foundations		•		•	•	•	•	
	Social Cooperatives (type A & B)	• ¹	•						
CYPRUS	Social Enterprises		•		•	•	•		
	Cooperative Society		•				•	•	

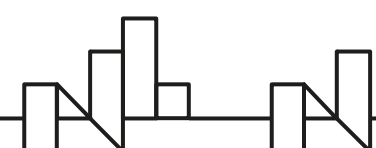
¹: does not apply to all sub-types

Current trends of Social Economy across the EU South

- differentiated definitions and conceptualizations within MED EEA
- lack of unified, coherent data
- still a minor part of the economy
- not stable and sufficient income
- sensitive part of the economy
- more as an “unemployment absorber” than a radical solution

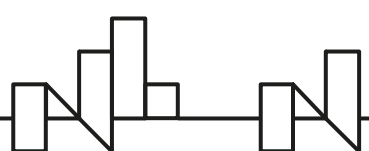
Regional disparities

- important share of employment in some study regions
- high rates of NEETs within the same regions
- regional disparities in social economy rates
- thriving in developing economies, despite the social and economic dislocation in developed societies of the western world



Divergent flexibilization trends constitute different regional manifestations of the deeper crisis in terms of capital (re-) production and lead to an employment collapse that marginalizes socially integrated long-established atypical employment forms and expands more precarious ones (Vaïou, 2014).

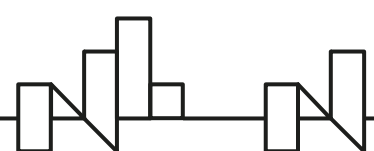
- myopic exuberance of the interconnected informal and diverse economies
- questionable voluntary nature of part-time work and earnings and full-time work substitution
- vicious circle of precariousness and flexibilization
- reproduction of precariousness, unemployment and inactivity
- regional disparities are treated in common ways
- policies aiming at a common set of 'less rigid' labor markets with certain and less protective security provisions than those of the previous era
- jeopardising labor markets in favor of capital interests



Regional labour markets of the Mediterranean EU are becoming increasingly fragmented (Barbieri and Scherer, 2009; Chorianopoulos, 2012). All these changes encourage international mobility of both the natives and the immigrants, signalling a transition of Mediterranean regions from immigrant-hosting to emigrant-sending labour markets and, moreover, regions hit by a brain-drain.

The awareness that choices are constrained by power relations is a deliberating process, similar to the process of 'reframing', because it is the only way through which contradictions could be understood and overcome. This process is context-dependent and geographically specific.

- reassessment of the adopted economic policies for labor market regulations for better quality jobs
- the promotion of a radical change that fosters both socially-just growth and labor protection
- focus on more community-level and bottom-up processes
- policies so as to avoid being “used by government as the low-or no-cost alternative to state-funded social welfare”
- new regional theorizations of contemporary urbanization in regions of the southern EU that critically reformulate existing accounts in relation to flexibilization vis-a-vis Social Economy



Thank you for your Attention!

