

Italian social cooperative

Many such new initiatives were set up as cooperatives. These new types of cooperatives were recognized in 1991 through the introduction of Law 381, as a result of the organizational and lobbying capacity of the new cooperatives, their clear social orientation and the support provided by the cooperative movement. Law 381 did not only recognize a new form of cooperative; it introduced a new type of enterprise with a distinctive purpose, namely “to pursue the general interest of the community in the human promotion and social integration of citizens”.

In concrete terms, Law 381 recognizes two types of social cooperatives: those that manage social welfare and educational services (type-A social cooperatives) and those that undertake other agricultural, manufacturing or commercial activities or deliver services for the work integration of disadvantaged persons (type-B social cooperatives). Type A cooperatives are entrepreneurial in nature, although they can only operate in social services. Type-B cooperatives focus on providing occupation for ‘disadvantaged workers’, who must constitute at least 30 per cent of their employees.

Over the years, social cooperatives have become key players in the Italian welfare system and an important sector of the Italian economy.

PARTICULARITIES

One of the main strategies adopted by social enterprises is to group into second-level organizations (e.g. consortia and federations) as a form of integration and promote partnerships with Different local stakeholders. Since their very first years of development, many social cooperatives have served the growing demand for services by spinning off new initiatives, rather than by increasing the size of the cooperative, development named *strawberry field*. This approach pursues a Specialization strategy, and reaps the advantages of large size by grouping into local consortia.

It is therefore the main form of collaboration among cooperatives which join together to pursue business and productive ends and to benefit from the advantages small- and large-scale operations.

HOW THEY WERE IMPLEMENTED

In Italy, the first social enterprises emerged at the end of the 1970s, mainly from the efforts of small groups of volunteers and workers who were dissatisfied with the public supply and market provision of social and community care services. These new initiatives were aimed at meeting the needs of groups of people who had been disregarded by the public welfare system.

In this situation, groups of citizens, heavily reliant on volunteers, attempted to bridge the gap between the demand for and the supply of social services by devising new services and new organizational forms.

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IMPACT

Since the approval of Law 381, which introduced the social cooperative legal form, these organizations have registered an average annual growth rate ranging from 10 to 20 per cent. In 2008, 13,938 social cooperatives comprised 19.5 per cent of the total number of cooperatives and 0.3 per cent of the total number of Italian enterprises. These cooperatives employed 340,000 workers (out of which 300,000 were hired with a permanent contract). About 40-45,000 disadvantaged workers were integrated (i.e. 7 per cent of the total number of disabled people looking for a job). About 40-50 per cent of all social services were provided by social cooperatives, with a total turnover (the value of the goods and services that a company sells in a particular period of time) amounting to EUR 9,000 million. While impressive, this development of social cooperatives has not prevented other types of third-sector organizations from developing social entrepreneurial activities. Recently, a law on social enterprise (Law 118/2005) was adopted.

AUTHORS—COLLABORATORS—SOURCES

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