

# France in the News

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## France and the social and solidarity economy

**The bill for the social and solidarity economy, which is currently being examined by Parliament, highlights a sector with considerable influence which provides credible responses to the traditional economic channels.**

The social and solidarity economy is made up of a myriad of diverse organizations: there are associations, insurance companies, cooperatives, foundations, integration structures, etc. The



sector, however, is characterized by its operating methods: joint management and governance; limiting profits in the name of social, solidarity and cooperation objectives; no speculation on company shares.

It appeared in the 19<sup>th</sup> century and until the 1960s remained in the tradition of the associative social economy. In the 1970s it changed, with the desire to fight inequalities and protect the environment, adding to the growth of “solidarity” activities for

vulnerable populations and neglected territories.

For many years, the social and solidarity economy was undervalued, marginalized and caricatured as a generous and naïve utopia. Today, this old notion is coming back with a vengeance! The reason for this unexpected revival is the scale which it has taken on, which can no longer be ignored. It's not every day that utopia is achieved...

It was thought that the social and solidarity economy was outdated and yet it is breaking new ground. An example is the cooperative society Repic in Montpellier, which draws up projects before seeking managers to implement them. The social and solidarity economy is seen as having no real ambition, but it includes major companies: Vitamine T in Lille (3,000 employees), Groupe SOS (10,000 employees); Crédit coopératif (2,000 employees); Pôle Sud-Archer in the Drôme department (1,200 employees)... In France, 200,000 companies involved in the social and solidarity economy employ over 2 million people, a total of 1 in 8 private-sector jobs. Activity in the sector accounts for almost 10% of GDP. In the past ten years, the social and solidarity economy created 440,000 new jobs – an increase of 23%, compared to 7% in the traditional economy.

MINISTRY OF FOREIGN AFFAIRS

The social and solidarity economy is experiencing global growth which is estimated to amount to between 5% and 10% of world GDP. Internationally, the Intercontinental Network for the Promotion of Social Solidarity Economy has just held its 5<sup>th</sup> meeting in Manila. In France, the Mont-Blanc Meetings are attended by leaders from over 40 countries. Furthermore, the National Conference on Development and International Solidarity, run by the Minister Delegate for Development, enabled wide-ranging dialogue between sector stakeholders and the public authorities.



The social and solidarity economy also raises interest because the messages conveyed via its action resonate with the population. *“They provide definitive answers to topical issues: social justice, inequalities, the environment, greater consideration of resources, explains sociologist and economist Jean-Louis Laville, director of a research laboratory at the French National Centre for Scientific Research (CNRS). We acknowledge that the social and solidarity economy can meet the needs of populations and territories.”*

Could this be the end of the domination of the State/market duo in the economic debate? In any case, it is recognition for civil society. In France, the aim of the future law is to support the development of the social economy, in particular by facilitating its financing. It is thus a “future strategic sector” for the *Banque publique d’investissement (BPI)* (French public investment bank) which will allocate it funds of €500 million.

Sylvie Thomas

Some figures on the social and solidarity economy in France:

- 200,000 companies
- 2 million employees
- 10% of GDP