

# The Potential Role of the Cooperative Model in Supporting Refugees and Migrants' Self-Employment and Entrepreneurship in Europe

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# Outline

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- Research Question
- Justification and Context
- What is the Cooperative Model
- How did I attempt to answer this Question
- What did I find out

# Research Question

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What can the cooperative model offer to newcomers' seeking the path of self-employment and entrepreneurship?

# Justification and Context

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- The current context of Europe (although it varies significantly).
  - From an economic point of view (high unemployment, weak demand and low levels of investment).
  - Social services are being curtailed (austerity).
  - A challenging time for both the private and public sectors.

# Justification and Context

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- The current migration flow.
  - Biggest wave of migration since WWII (2.3 million newcomers).
  - The refugees are here to stay (underlying causes persist).
  - Refuge and migration as the new norm.
  - The need to think of sustainable solutions (structures and mechanisms).

# Justification and Context

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- Why Cooperative Model?
  - It presents a good case, both in theory and practice.
  - It is relatively developed in Europe.

# What is the Cooperative Model?

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- Organization of the enterprise in a cooperative (Micro Level)
- Cooperation among enterprises; be it worker cooperatives or other types of worker-owned enterprises (Meso Level)

# How did I attempt to answer this Question?

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- By trying to answer the question “Could turning to the cooperative model play a role in surmounting the challenges and barriers of the newcomers’ path to self-employment and entrepreneurship”?
  - What are the challenges that migrants and refugees face on the path to self-employment and entrepreneurship?
  - What are the potential benefits that can be reaped by turning to the cooperative model?
  - Can those potential benefits contribute to the challenges?



# Challenges on the path to self-employment?

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- Knowledge of the Market
- Finance
- Legal and Administrative challenges
- Necessary Skills to run a business
- Language barrier and isolation (main challenge to face Newcomers)

# Potential Benefits of the Cooperative Model?

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- On the Micro level
  - An improved form of employment (as compared to informal employment).
  - Financial advantages (Retaining surpluses, indivisible reserves).
  - Resorting to alternative measures at times of crises.

# Potential Benefits of the Cooperative Model?

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- On the Meso level
  - Collecting and accessing funds
  - Mutualizing of services
  - Bargaining power
  - Economies of scale
  - Support for startups through Meso level cooperative institutions

# What did I find out

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- There is indeed great potential for the Cooperative Model to contribute to the problem. However, it is not a magic solution.
  - Isolation vs Networking (Meso level).
  - Operational Support (Meso level).
  - Financial advantages (Micro and Meso level).
  - Some challenges persist (Initial funding; language).

# Enabling Factors

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- This potentiality is however contingent upon a number of factors.
  - Degree of development of the cooperative movement.
  - The Macro context (included in the degree of development).
  - Engagement of other stakeholders (extension of the Meso).

# Recommendations

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- A call for collaboration between the different stakeholders in order to explore and take advantage of the potential advantages.