

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

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Outline

- 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

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

Justification and Context

- 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

- 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

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

What is the Cooperative Model?

- 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?

- 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?

- 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?

- 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?

- 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

- 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

- 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

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