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.