

Social Economy and the Transformation of Society – Latest Developments in Germany and Europe

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This article focusses on social economic self-help of poor people and disadvantaged communities, especially the foundation of cooperatives and other approaches of social economy that represent a central contribution for a sustainable social development (1).

In Germany we have to deal with a specific situation in the co-operative sector and the whole sector of social economy. Economic self-help of poor people is not much distinct because of different historical and latest reasons. Co-operatives in Germany are not seen as a part of the social economy but as part of the market sector. Another reason is situated in the organisation of the state-financed social services due to the big welfare associations with a strong self-interest. Cooperative organisation of discriminated people is threatening these interests. In general, Germany is characterised by a relatively rigid structure of institutions and a strong orientation towards a regulating state.

During the last 10 years, social economy gets moving in Germany due to different reasons. The actual mushrooming of combined and cooperative forms of economic self-help is to be seen – on one hand – as reaction to the processes of social changes – and on the other hand – as proactive strategy of social transformations.

This seems to be a revival of the social culture of the cooperative sector in Germany, even though only in some parts.

The new developments of social economy in Germany and the political support for it refer to the following challenges:

- The guaranty of (self-) employment
- The transformation of the public sector and the preservation of social and cultural infrastructure, health services and life goods
- The strengthening of regions for sustainable development due to alternative monetary and local exchange systems
- The management of demographic changes owing to new forms of living

I would like to point out some examples of the actual approach within their social and political context:

1. The changes in work structure, combined with the risks of unemployment, were bringing new foundations of production co-operatives for about 10 years, especially by qualified groups who are able to organise themselves, for example, IT-specialists, engineers, doctors, social-workers
2. On the other end of the qualification measure there are supported forms for low qualified groups to enable them to found co-operatives for example in households or personal services. After the reorganisation of the co-operation law in Germany last year, different social cooperatives with the aim of job creation were founded (2). These approaches are new in Germany and they are standing in the tradition of the social co-operatives in Italy.
3. Newer political programs in Germany and Europe point at integrated approaches of action for solving problems in disadvantaged areas. The main focus is here on local economy, especially local co-operatives.

4. For the background of the challenges in changing demography of an older getting society, community-cooperatives as alliances consisting of housing-cooperatives, local authorities; social and cultural facilities, commercial enterprises and active citizens will be founded. It's the hope that this will manage the necessary reorganisation of neighbourhood during dropping public funds.
5. Also big housing co-operatives are founding organizations, to manage the changing social conditions of the intercultural co-existence.
6. In connexion with the transformation of common good into private ownership, multi-stakeholder organisations as alternatives to private ownership have been founded especially in the sectors of education, health care and welfare, during the last years. They work to give access to these facilities for all citizens – independent of their spending power.
7. Another new development results in the emancipation of disabled people, who work in the tradition of the “independent living” movement. For example they found social co-operations and will be employers of their helpers.
8. Since about five years, schools in Germany – especially in such districts with social problems – have founded cooperatives with their pupils. In these “real laboratory” young people can practise co-operative economy.
9. Meanwhile, there exist courses for social entrepreneurship, not only at our university. Numerous colleagues understand by this more than the foundation of enterprises in the social sector, but innovative foundations in the culture of social economy.
10. The South American idea and practice of “Incubators” for innovative co-operative foundations in connection with schools and universities get importance in Germany und Europe. It is expected that this form of foundations within a real laboratory will be successful to generate a strong cooperative sector with economic and social aims.
11. The last example will be the booming movement of the alternative and complementary currencies as well as the local value exchange systems. In many cities and regions protagonists of sustainable development use this medium with the aim to strengthen local and sustainable economy (3). They are intermediaries in networks and alliances for these ideas and they can be seen as pioneers of social innovation.

In Germany and Europe, the above-mentioned examples are standing in the background of discourses and real developments, which get away from the edge into the mainstream:

- Despite the strong orientation on state, civil and democratic approaches in politics, economy and society win importance and the actors gain more self-confidence.
- The knowledge of the requirements of sustainable development has reached all political trends and many social sectors.
- Also in Germany, the worldwide discourses and concrete forms of local and alternative economy fell on productive ground. In December 2006 there was the worldwide congress of social economy in Berlin with about 2000 participants and brought the scattered movement together.

These developments will be supported by different political recommendations and programs on national and international levels. But to build a strong cooperative sector it is important to have, in particular, new education and qualification offers (4), publications as well as interdisciplinary theory building, research, teachings and development in different universities in Germany and Europe. The European Master-course „Community Development and Local Economy” of our faculty (www.macd.fhm.edu) is one of these programs.

Annotations:

(1) see also: Elsen, Susanne: Die Ökonomie des Gemeinwesens. Weinheim/München 2007

(2) e.g. „Cena et Flora“, Riesa and “SAGES”, Freiburg

(3) especially remarkable: ViaVia, Basel

(4) e.g. innova e.G.

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