

The Spanish President speaks in support of Social Economy

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At the event entitled Social Economy: Competitive, Sustainable Companies Committed to Employment, organized by the Spanish Social Economy Business Confederation (CEPES) on 18 February in Madrid, the President of the Government, José Luis Rodríguez Zapatero, affirmed that “the Social Economy is very important in creating the new Sustainable Economy model that Spain needs due to its social dimension”. The event, which was attended by more than 650 Social Economy executives and business leaders, also featured speeches by Juan Antonio Pedreño, President of CEPES; and José María Aldecoa, President of Corporación Mondragón. The Espriu

President Zapatero addresses the leaders of the Social Economy



Foundation was represented by its Vice-President, José Carlos Guisado, and trustees Gerard Martí, Deputy Medical Director of the Hospital de Barcelona and Teresa Basurte, President of the cooperative Scias.

For the President of the Government, “the Social Economy has been very important in the economic expansion phase and will be very important to overcoming the crisis. Its companies are the epitome of enterprising spirit, risk and imagination; but, also responsibility and commitment. This is its strength”.

Zapatero added that “the Social Economy and the third sector are called to actively participate in the new Sustainable Economy model which is more innovative, more competitive, more social, less speculative, environmentally-friendly and a means to build social cohesion”. The President of the Government’s main concern “is being able to grow again in order to create jobs again. Employment is the safest path to people insertion”.

The President also announced plans to present a draft Social Economy Law to the Council of Ministers. According to Zapatero, it is a regula-

tion that the sector has been clamouring in favour of for some time and which the government has been working on in collaboration with CEPES. The new regulation, which will be a pioneer law in Europe, will define a legal framework for the social economy, providing for its most characteristic features and gathering its diversity. It will recognize its important contribution to socio-economic development and stable job creation and will establish the public authorities’ commitment and measures to strengthen it.

During his speech, the President of CEPES stated that “the Social Economy is a way to do business that contributes an additional added value to the wealth and employment generation process. The specific characteristics of these companies, their commitment to employment, their greater flexibility and capacity for resistance, their greater implication in business and personal projects have made it so that the drop in employment and businesses is quite a bit lower - two percentage points- than that of other business models”.

According to Pedreño, “with their way of doing business, Social Econo-



The president of the Government with the minister of Work Corbacho, the minister of Health Jiménez and the board of CEPES, among them their president Juan Antonio Pedreño and the doctor José Carlos Guisado, representing the Foundation Espriu

my companies help recover trust in the markets due to their great social commitment. Our companies seek sustainable, balanced growth. It's a way of creating companies where people are put above capital and the objective is to generate wealth and employment, combining criterion of efficiency and charity".

During his speech, the President of Corporación Mondragón outlined the business reality of the Mondragón Group and its strategy for the future and explained the measures that have been adopted to maintain employment and improve the competitiveness of the companies that make up the group.

Once the event concluded, the President of the Government and the Ministers of Labour, Celestino Corbacho, and Health, Trinidad Jiménez, personally met with CEPES representatives including Dr. Guisado and

exchanged opinions on the challenges and possibilities of the Social Economy in the current economic situation.

Social Economy

The companies that make up the Social Economy are known for considering people as their priority and for a social rather than capital objective, for their business culture with a vocation for participatory management, and for defending and applying the principles of solidarity and responsibility. They are autonomous and independent with respect to the public powers and apply most of their profits to achieving objectives in favour of the general public interest, the interest of member services and sustainable development.

Based on these values and according to CEPES data, in the last 18 months the Social Economy has

created 3,757 companies and 23,856 jobs added to the more than 48,000 companies throughout Spain that generate 2,350,000 jobs, 80% of which are attached to indefinite contracts. This represents 16% of the total Spanish workforce and turnover of more than 110 billion euros; in other words, 10% of the Spanish GDP.

Social Economy companies, such as cooperatives, labour associations, friendly societies, special job centres, insertion companies, fishermen's guilds and sector handicapped associations contribute with their way of doing business to recovering trust in markets and strong, sustained and balanced economic growth. These companies have the resources to better adapt to the crisis and are a business model that proves that economic rationality and social progress are compatible criteria.