



Covid-19 emergency recovery.

In a scenario worsened by the legacies of the pandemic crisis on people and companies, the path towards the *Just Transition* starts from the redefinition of organizational models of work, through new collaborative approaches. The focus is on understanding (and optimising, for all) the multidimensional *value of sustainability* in Labour Law. This value must be understood in relation to the promotion (at International, European, and National level) of an economy based on a social dimension, and not a purely capitalist approach.

In this regard, the “social economy” is the expression of the activities of all those organizations that know how to interpret and sustain the changes in society without losing sight of the solidarity dimension. This factor is crucial for granting inclusive development and mobilizing the active participation of local communities, leaving no one behind.

In this context, the [Action Plan for the Social Economy \(2021\)](#) recognizes cooperatives as a well-established business model for sustainable and inclusive development, because they can solve social and environmental problems by combining efficiency and productivity with equity and democracy. Hence, cooperatives constitute the prototype of a “new” Social Economy, to which every organization should strive to give form and substance to the Goal (no. 8, of the [UN 2030 Agenda for Sustainable Development](#)) of an «inclusive and sustainable economic growth, employment and decent work for all» in the post-Covid-19 emergency recovery.

## **Participation, Inclusion, and Sustainability in the Statement on the Cooperative Identity**

The above considerations are even more true looking at the principles and values provided for in the [Statement on the Cooperative Identity](#) (adopted by the International Cooperative Alliance), which aims to outline the common identity of all cooperatives. The Statement defines the cooperative as «an independent association of persons united voluntarily to meet their common needs and economic, social and cultural aspirations through a jointly-owned and democratically-controlled enterprise».

This definition is pursued by cooperative and ethical values, which represent the basis for understanding the cooperative model.

In ethical terms, cooperatives combine honesty and openness with social responsibility and caring for others, creating an environment geared towards sustainability and solidarity. Hence, cooperative work is based on self-help and self-responsibility, through a democratic and equitable organizational structure, which guarantees the equality of all members.

These values are, in turn, linked to seven cooperative principles, which are: voluntary and open membership; democratic members’ control; members economic participation; autonomy and independence; education, training, and information; cooperation among cooperatives; concern for the community. The principles explain in detail how cooperatives behave towards their members, and how they interact with the external environment.

Specifically, the principles from one to five define the organizational structure of the cooperative and the position of the members, while the sixth focuses on external relations among cooperatives. Lastly, the seventh principle highlights the impact of cooperative activity on the community within which it operates. This principle recognizes the active role for cooperatives, to «work for

sustainable development of their communities through policies approved by their members».

Cooperatives have a direct influence on the sustainable development of a community, and they can achieve a fair and inclusive society. The reference expressed to sustainable development alludes to the ability of cooperatives to create positive “externalities” and, therefore, a “common benefit” in the contexts in which they operate, promoting social and economic growth. In fact, they can realize benefits not only for their members, who democratically control and own the cooperative, but also for the community in which they operate.

Before 1995, the seventh principle was incorporated into the sixth principle, but today the two principles have their own worth. In the light of the sixth principle, cooperatives «strengthen the cooperative movement by working together». This is important because cooperation between cooperatives (and enterprises) create a link between social sustainability and Just Transition.

## The role of social cooperatives in the Italian legal system

Looking at the Italian legal system, cooperatives represent a good practice to combine participation and inclusion, in a perspective to the new sustainability of Labour Law. Among cooperatives, «social cooperatives for the employment of disadvantaged persons» [Art. 1, let. b), [Italian Law no. 381/1991](#)] include at least 30% of disadvantaged workers (*physical, mental or sensory invalids; former patients of psychiatric institutions, persons in psychiatric treatment, alcohol and/or drug addicts; young people in difficult family situations; offenders, admitted to alternative measures to imprisonment...*).

Therefore, social cooperatives represent a *double-guarantee type of entrepreneurship*, as they direct their activities towards the common *good* (considering profit not as an objective, but as a tool) and intervene to support and complement public policies, offering concrete answers to social needs. Social cooperatives are sensitive and attentive to the needs of the people working environments, able to emphasize people’s worth, even on the regulatory side, as working partners.

By this, social cooperation incorporates a true solidaristic spirit, to be understood not so much as mere support for its members, but rather as a broader impulse to remove obstacles to the realization of the principle of equality, ensuring work opportunities for people who would otherwise risk being excluded from the “standard” channels, through which Labour supply and demand spontaneously meet.

In addition to this, the «Cooperation among Cooperatives» (elevated, as previously anticipated, from a practice traditionally followed by the social cooperative movement to the (sixth) «*Principle*» of the Cooperative Identity) allows these entities to achieve a larger efficiency, building a system among organizations, inspired by common ideological foundations and capable of organizing forces to establish conditions for sustainable development and social progress. Working together means that – even if each entity succeeds in achieving positive results on its own – everyone should try to develop the benefits of large-scale organizations, collaborating with each other in the most suitable forms, while maintaining the advantages of territorial rootedness.

The promotion of a network of (cooper)actors of labour inclusion seems to combine the sharing dimension with that of enhancing the dignity of workers, even emancipating cooperation from the purely welfarist vision, traditionally associated with them, and generating economic prosperity and social reinvestment, consistent with the goals of *Sustainable Development*.

## A win-win(-win-win) model for sustainability, in the light of the Professor Biagi Reform

Looking for collaboration-oriented approaches on the path towards the *Just Transition*, in the Italian legal system, the mechanism provided in Art. 14, [Italian Legislative Decree no. 276/2003](#) (even identified as “*Marco Biagi Reform*”) is a good and symbolic example of the revealed values and purposes. Art. 14 supports a partnership among enterprises, and social cooperatives, which seems suitable to accompany the integration of «disadvantaged people» as defined in Art. 2, let. f), of [EC Regulation no. 2204/2002](#).

Through a «Framework Agreement on a territorial basis» (whose effectiveness is conditioned by the validation granted by the Regions), Art. 14 of Italian Legislative Decree no. 276/2003 enhances the contract between a social cooperative (that employs disadvantaged people) and a company (that make them work on its orders).

This mechanism is particularly relevant for persons with disabilities. Even if it is a «transversal priority» by the (Italian) «[National Recovery and Resilience Plan](#)» (NRPP) – inclusion remains a goal far from being achieved, despite the recruitment obligations (and related sanctions) provided for in the Italian Law no. 68/1999.

Indeed, employers required to hire persons with disabilities (which often oppose the employment integration, due to the alleged impossibility of engaging them in the organization) can access this tool, and the integration into the social cooperatives «is considered adequate for the coverage of the reserved quota» (Art. 14, par. 3, Italian Legislative Decree no. 276/2003).

By this, Framework Agreements make companies socially responsible, supporting them to invest in cooperation as a “green lung” to realize the interest of the community, according to a generative logic of welfare, which is disseminated and shared through inclusion.

The virtuous collaboration among enterprises, social cooperatives and local public institutions shows a model that can satisfy the interests of all parties involved, in a “*win-win-win-win*” perspective: *i*) the company *wins*, because it can benefit, for the same – or lower – costs, even from in-house goods and services, avoiding fines related to the non-employment of persons with disability; *ii*) the social cooperative *wins*, because it secures work orders, that are functional to maintain its financial equilibrium and to pursues its social objective; *iii*) the welfare state system *wins*, by reducing the number of inactive and unemployed people; *iv*) the disadvantaged person *wins*, because s/he can recover satisfaction, professionalism and, more generally, dignity through work, in a context supervised by the public administration.

### Closing Remarks

International and European experience intend cooperative identity as a sustainable model to overcome the challenges imposed by the pandemic and climate emergency.

In the Italian legal system, the principles of the Statement of Cooperative Identity find a practical implication in social cooperation, because it presents a participatory and inclusive organization of work unlike “traditional” enterprises. As promoters of social, economic, and environmental sustainability, social cooperatives even establish solid relationships with cooperatives and enterprises, creating networks on the territory, where “unity is strength”.

In this regard, Art. 14 formalizes, from a legal point of view, the importance of cooperation between cooperatives and businesses for disadvantaged people. Through cooperation, “the right to work” guaranteed by Art. 4 of the Italian Constitution is (also and finally) assured to workers with disability.

Both European (Art. 5, [Dir. 2000/78/EC](#)) and Italian legal systems (Art. 3, par. 3-*bis*, [Italian Legislative Decree no. 216/2003](#)) are looking for «reasonable accommodation», which is defined as any «appropriate measure, where needed in a particular case, to enable a person with a disability to have access to, to participate in, or advance in employment, or to undergo training» on an equal basis with others. For this purpose, employers must revise structure and organization of the company, for the accessibility of *any* working environment for *any* person with disability and close the protection gap resulting from the disadvantaged situation of the latter.

However, the right to ask for adjustments is expressly conditioned on the economic sustainability of the costs required to make them: the tension is towards solutions that do not entail a «disproportionate burden». Whether the interest of the employer is adequately protected by the reference to “non-disproportionate” costs, the mechanism provided for in Art. 14, Italian Legislative Decree no. 276/2003 allows them to obtain – at the same (or lower) cost – goods and services that are currently produced in-house or bought from external suppliers. Furthermore, the detachment procedure does change the tasks of the other workers of the company, whose position is not altered in any way.

If the jurisprudence embraces this thesis – consisting in the interpretation of Art. 14, Italian Legislative Decree no. 276/2003 as a reasonable accommodation – this instrument will become a legal obligation, that does not create a «disproportionate burden».

Cooperatives represent an old, but innovative business model, which establishes its roots in the social economy. The transition from a purely “capitalist” economy to a “social” one, based on the values of cooperation, inclusion, and equity, is necessary to meet the new needs coming from the community to combat inequalities. The bottom-up approach adopted by cooperatives allows them to face change in a resilient way, sharing ethical policies and values.

This entry was posted on Monday, August 21st, 2023 at 8:00 am and is filed under [Cooperatives](#), [EU Law](#), [Italy](#), [Social Dialogue](#), [Social Pillar](#)

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