Social Solidarity Economy (SSE) as a tool and public policy to localize SDGs: CASE OF SEOUL

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Key Questions

1. What is the Social and Solidarity Economy (SSE)?
2. Why is the SSE relevant tool for localizing SDGs?
3. How is the SSE adopted as a strategy for Seoul’s inclusive and sustainable development?
4. Resources
Economy for People, not for Profit

Purpose
Products or services provided with clear Social or Environmental Objectives

Core Values
Cooperation
Solidarity
Rooted in the community
Democratic self-management
Who are SSE actors?
# Common characteristics of SSE Organizations

<table>
<thead>
<tr>
<th>Common features</th>
<th>Comments</th>
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</table>
| **Economic and Social Function** | • Combined social and economic objectives  
• Produce goods and services on a permanent basis  
• Do not seek profit maximisation but some SSEOs can be for-profit or generate surpluses (e.g. cooperatives)  
  - Legally-binding, strict rules on use of surpluses/redistribution of surpluses |
| **Collective Dimension** | • Based on the will of people/groups to join forces in order to meet their own needs or those of others  
• Collective dimension depends on the definition and type of organisation  
  - Very strong in cooperatives (collective ownership);  
  - Less strong in some social enterprises  
• Collective dimension is not in contradiction with a strong leadership |
| **Solidarity** | Operating methods based on solidarity (either altruism or reciprocity)  
• Goals not primarily oriented to accumulated capital or generating profits  
• Aims to include rather than to exclude |
| **Autonomy** | Autonomy of the organisation in management and in decision making processes |
| **Voluntary involvement** | No compulsory affiliation |
| **Participation** | • Members/users/beneficiaries have the opportunity to be the owners of the organisation and/or to actively take part in the decision making process  
• Participation can take various forms (from one person/one vote to more flexible ways) but should be defined and done on a systematic and explicit basis (as being mentioned in formal documents and/or clearly known and understood by all involved stakeholders)  
• Participation should ideally give the possibility to control and/or imposing sanction |
What are the relations between SDGs and SSE?
Realizing the 2030 Agenda through SSE...

SSE can be an alternative model of development by promoting its inclusive, democratic and sustainable values and practices.

<table>
<thead>
<tr>
<th>SDGs</th>
<th>SSE value and practices</th>
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<tbody>
<tr>
<td>Poverty eradication, equality and good governance (SDG 1, 10, 16)</td>
<td>Fair employment generation, enhancing rights to economic resources, women’s economic empowerment</td>
</tr>
<tr>
<td>Social services and assistance (SDG 3, 4)</td>
<td>Prominent in health care, elderly and child care, education sector</td>
</tr>
<tr>
<td>Employment, infrastructure, and inclusive growth (SDG 8, 9)</td>
<td>Decent jobs, fair access to social and energy infrastructure, energy, finance, facilitating economic diversification.</td>
</tr>
</tbody>
</table>

and.. Other SDGs goals can be also realized through SSE.
Localizing SDGs through SSE: employment, infrastructure and inclusive growth (SDG Goals 8 and 9)

- The role of SE in generating employment in the aftermath of the global financial crisis.
- SE contributes to countering the growth of precarious employment and the inability of the traditional economic sector to fulfil its role of absorbing surplus labor: rates of “Inheritance of enterprises” is 84 % (in ROK) vs 20 % (global).
- The role of SE in relation to infrastructural development is mainly centered on social and energy infrastructure, Seoul has developed an eco-system that burgeoning fast growth of SE.
The quality of life in human settlements (SDG Goals 10 & 11)

Establishing multi-sectoral partnership with the active citizenship associated with SE was a key to promote participatory governance system that are essential for community renewal and inclusive development in all urban districts of Seoul.
SE in Seoul: Policy and legal development since 2009

• The SMG amended a number of municipal laws including:
  ➢ the Municipal Ordinances on Fostering Social Enterprises
  ➢ the Creation and Administration of the Social Investment Fund
  ➢ the Municipal Ordinances on Supporting Cooperatives and other related projects.
  ➢ the enactment of the Basic Municipal Ordinance on the Social Economy, etc.

• The SMG completed a comprehensive system of support for the SE, extending to the formation of a new business ecosystem and international relations (establishment of GSEF).

• There are currently 52 municipal ordinances, including 6 at the SMG and 46 borough-specific ones, which provide the statutory basis for the social economy policies of the SMG and local boroughs.
Social Economy of Seoul: fast and sustainable growth
(in 2017, 519 SE, 2926 C, 103 CE)

Basic info on Seoul

Area: 605.21 Km²
Population: 10,297,138

Administration: 25 self-governing gu (boroughs), 424 dong (neighborhood units)
- Average gu-size: Area 24.2Km², Population 413,980
- Average dong-size: Area 1.43Km², Population 24,285

Social enterprises: 433
Cooperatives: 2,267
Community enterprises: 119

Annual Growth of the Social Economy in Seoul

<table>
<thead>
<tr>
<th>Year</th>
<th>Social enterprises</th>
<th>Cooperatives</th>
<th>Community enterprises</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>332</td>
<td>9</td>
<td></td>
<td>341</td>
</tr>
<tr>
<td>2011</td>
<td>341</td>
<td>67</td>
<td></td>
<td>408</td>
</tr>
<tr>
<td>2012</td>
<td>542</td>
<td>624</td>
<td></td>
<td>1,566</td>
</tr>
<tr>
<td>2013</td>
<td>1,007</td>
<td>433</td>
<td>374</td>
<td>1,414</td>
</tr>
<tr>
<td>2014</td>
<td>2,271</td>
<td>108</td>
<td>125</td>
<td>2,404</td>
</tr>
<tr>
<td>2015</td>
<td>2,819</td>
<td></td>
<td>433</td>
<td>3,252</td>
</tr>
</tbody>
</table>
Ensuring the quality of life in human settlements (SDG Goals 10 & 11) and sustainable production and consumption and climate change (SDG Goals 7 & 12 through creating Social Economy Zones (in 2017, in 11 boroughs /25)

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Social Economy Networks in Seoul today

Social economy networks in Seoul today (as of December 2019)

- Social economy ecosystem groups
- Social economy offices
- Social economy councils
- Social economy business
- Social economy support centers
- Social economy centers
- Social economy zones (provisional)

International cooperation on social economy

10 participating cities
43 participating non-governmental organizations
Over 4,000 attendees
Seoul was the first chair city.
Sustainability

Gentrification

Seoul’s gentrification and its characteristics

Gentrification of residential areas

- New Town and urban renewal projects leading to rising rent and deposit
- As a result, residents (both houseowners and tenants) do not return → they migrate to other areas, while the middle-class and the affluent pour in from other areas
Securing sustainability in urban regeneration

Ways to induce a positive gentrification

WinWin Partnership Agreement through strengthening Governance (4 Areas)

- 창동상계(‘15.10) / 세운상가(‘16.1) / 성수지역(‘15.12) / 신촌(‘15.9)

세운상가 상생협약서

- 규약을 통한 젠틸리피커션 방지책 마련
- 임대차 분쟁조정 위원회 구성 지원
- 표준계약서 작성 및 배부
- 5년 임대보장 및 임대료 상승 9% 제한 명기

Management of an exclusive lawyer in each urban regeneration areas (42 times)

- 성수동 (39회) / 세운상가(3회)
Community Empowerment
A citizen-led urban regeneration project

- Securing the anchor facilities, maintaining infrastructure, and pushing forward various business for community vitalization

- securing the anchor facilities for community
- making the safe town
  - installling CCTV
  - upgrading security lights
- promoting a pleasant village
  - imporvementing main roads
  - promoting the environment of allies
  - supporting to make ‘green zone’
- making ‘Ssamzi park’ etc.
  - Building up unused open area as ‘Ssamzi Park’
  - rearranging public sparse
  - making trails around village
Co-op Housing

The foundation to stabilized housing and revitalized communities
Living together, sharing space

Community housing?

externality

Community shared space

function

Sharing talents/goods
Sharing space
Sharing time

Operating program for residents’ practice

Public purpose facility

공동체 생활관련

Resolving daily life problems by communication
This project examines the social economy (SE) in Seoul, Republic of Korea, and how it is contributing to implementing and, ultimately, achieving, the city’s “localized” SDGs. Characterized by a rapid development, the Seoul Metropolitan Government’s strong commitment to the Sustainable Development Goals (SDGs), the city’s experience offers a valuable opportunity to further enrich understanding of social and solidary economy practices.

The Research Issue in Context

The 2030 Agenda for Sustainable Development emphasizes the need to “achieve sustainable development in its three dimensions—economic, social and environmental—in a balanced and integrated manner, with the participation of all, at all levels.” Social economy approaches seek to contribute to social inclusiveness, poverty eradication, and sustainable development through innovative and participatory models that integrate social, economic, and environmental dimensions.
The international development community recognizes the need to rethink development. Business-as-usual has not prevented the recent financial and food crises, climate change, persistent poverty and rising inequality. As a post-2015 development agenda is crafted, we need to consider Social and Solidarity Economy (SSE) as a pathway to sustainable development.

The UN Inter-Agency Task Force on Social and Solidarity Economy (TFSSE) was established to raise the visibility of the SSE in international knowledge and policy circles. We believe that SSE holds considerable promise for addressing the economic, social and environmental integrated approaches of sustainable development.

TFSSE brings together UN agencies and other inter-governmental organizations, as well as umbrella associations of SSE networks as members and observers. Task Force activities include organizing events at UN and other international conferences, dialoguing with policy makers, preparing and disseminating publications, and engaging in collaborative projects involving TFSSE members and observers.

“Social and Solidarity Economy encompasses organizations and enterprises that: 1) have explicit economic and social (and often environmental) objectives; 2) involve varying degrees and forms of cooperative, associative and solidarity relations between workers, producers and consumers; 3) practice workplace democracy and self-management. SSE includes traditional forms of cooperatives and mutual associations, as well as women’s self-help groups, community forestry groups, social provisioning organizations or ‘proximity services’, fair trade organizations, associations of informal sector workers, social enterprises, and community currency and alternative finance schemes”.

Peter Utting, former UNRISD Deputy Director
UCLG

Community of Practice on Social Economy

- UCLG World Council (Nov. 2018 Milan)
- Africities Summit (Dec. 2018 Marrakesh)

https://www.uclg.org/en/organisation/structure/socialeconomy
Social Economy and Cities

Values and competitiveness for an inclusive and sustainable local development

www.gsef2018.org
GLOBAL SOCIAL ECONOMY FORUM
Established in Seoul in 2014 as a global network of local governments and social and solidarity economy (SSE) stakeholders to pursue inclusive and sustainable development through SSE values and practices.
43 Global Members of Local Governments, SSE networks and International Organizations

Asia: 21, Americas: 10, Europe: 4, Africa: 6, International 2 members

12 Local governments, 29 SSE networks, 2 Individuals

(As of Feb. 2018)
Thank you!!
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