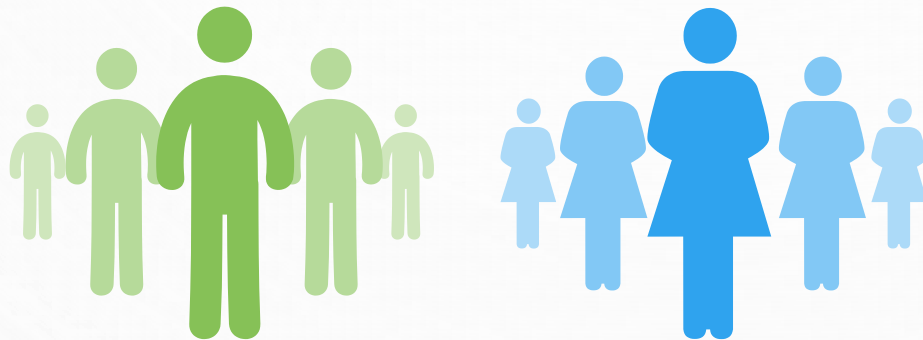


**THE SOCIAL COOPERATIVES OF SERVICES FOR WORKERS  
AND THE NEED OF AN ADEQUATE LEGAL FRAMEWORK  
FOR ITS OPERATION.**

**THE VENEZUELAN IMMIGRATION CRISIS IN COLOMBIA  
AND THE SERVICE COOPERATIVES FOR WORKERS TO  
ASSIST THEIR DIFFICULT SITUATION**



Antonio José Sarmiento  
Colombia

The world has seen the dramatic situation of thousands of Venezuelans, who have had to emigrate from that country to other South American nations, especially the bordering country of Colombia. It is estimated that, in less than a year, more than one million Venezuelans have entered Colombia legally or illegally and wish to remain there.

## SOME ECONOMIC KEY FACTS



Colombia

Related to the GDP and inflation.



Venezuela

-Growth of 2.7% of GDP by 2018

Expected to grow 3.3% by 2019.

- The inflation in Colombia in the last 12 months (September 2017 to August 2018) was 3.10%

-GDP went from 5.6% in 2012 to -15% in 2018.

- Inflation rose from 21% in 2012 to 13.865% in 2018.

## SOME ECONOMIC KEY FACTS



Colombia

Related to the unemployment rate.



Venezuela

-The unemployment rate in Colombia 9.7% by July 2018.

-The unemployment rate will go from 27.1% in 2017 to 33.3% in 2018 may reach 37.4% in 2019.

## SOME ECONOMIC KEY FACTS



Colombia

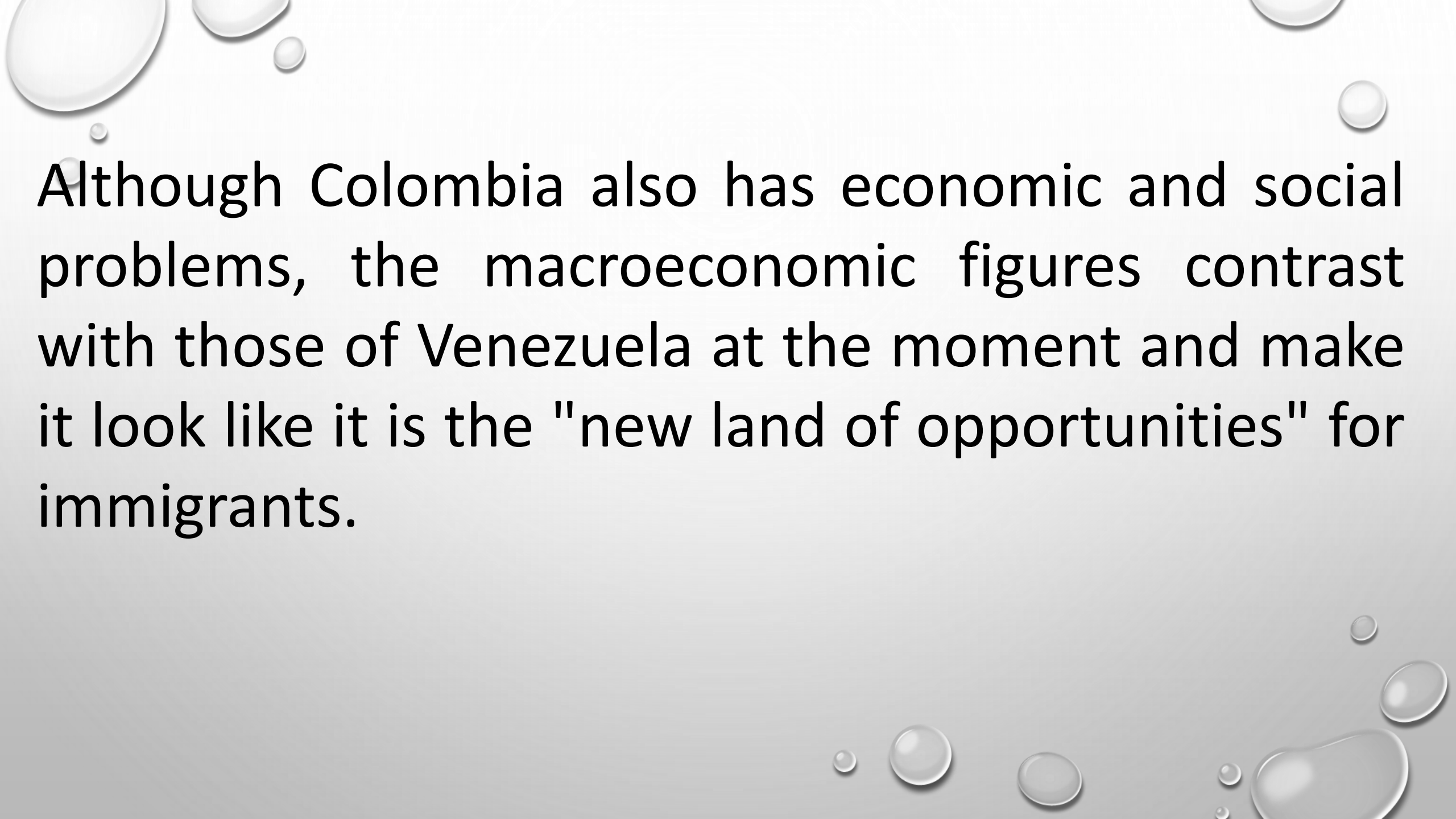
Related to the exchange rates.



Venezuela

-Colombia's exchange rate was \$3,019.64 Colombian pesos to the dollar as of September 15, 2018.

-Venezuela's exchange rate was 80,162.72 bolivars to the dollar as of September 15, 2018.

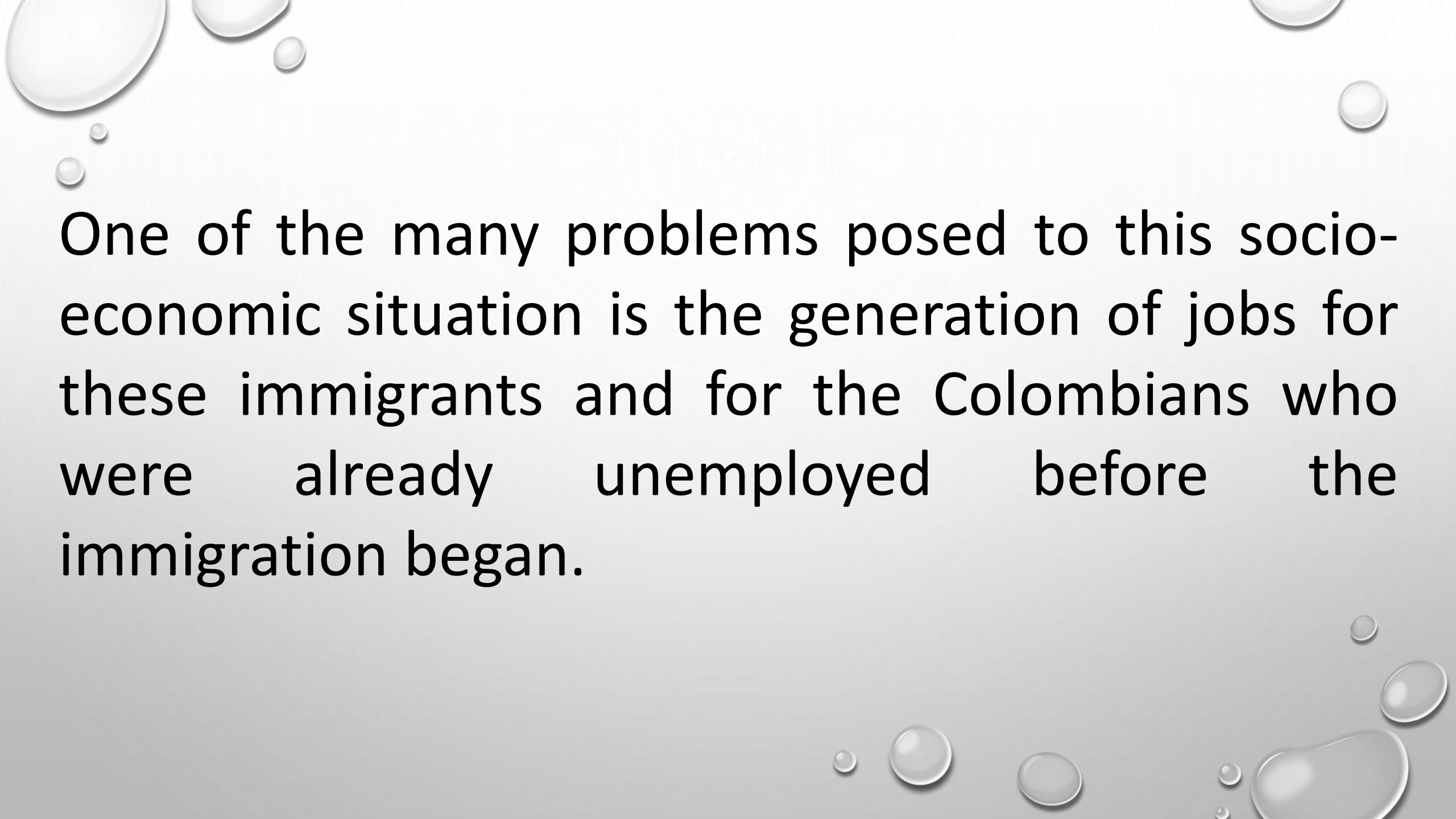


Although Colombia also has economic and social problems, the macroeconomic figures contrast with those of Venezuela at the moment and make it look like it is the "new land of opportunities" for immigrants.

Thousand of Colombians have helped inmigrants.

The Catholic Church and other churches have also collaborated with food, shelters, etc.

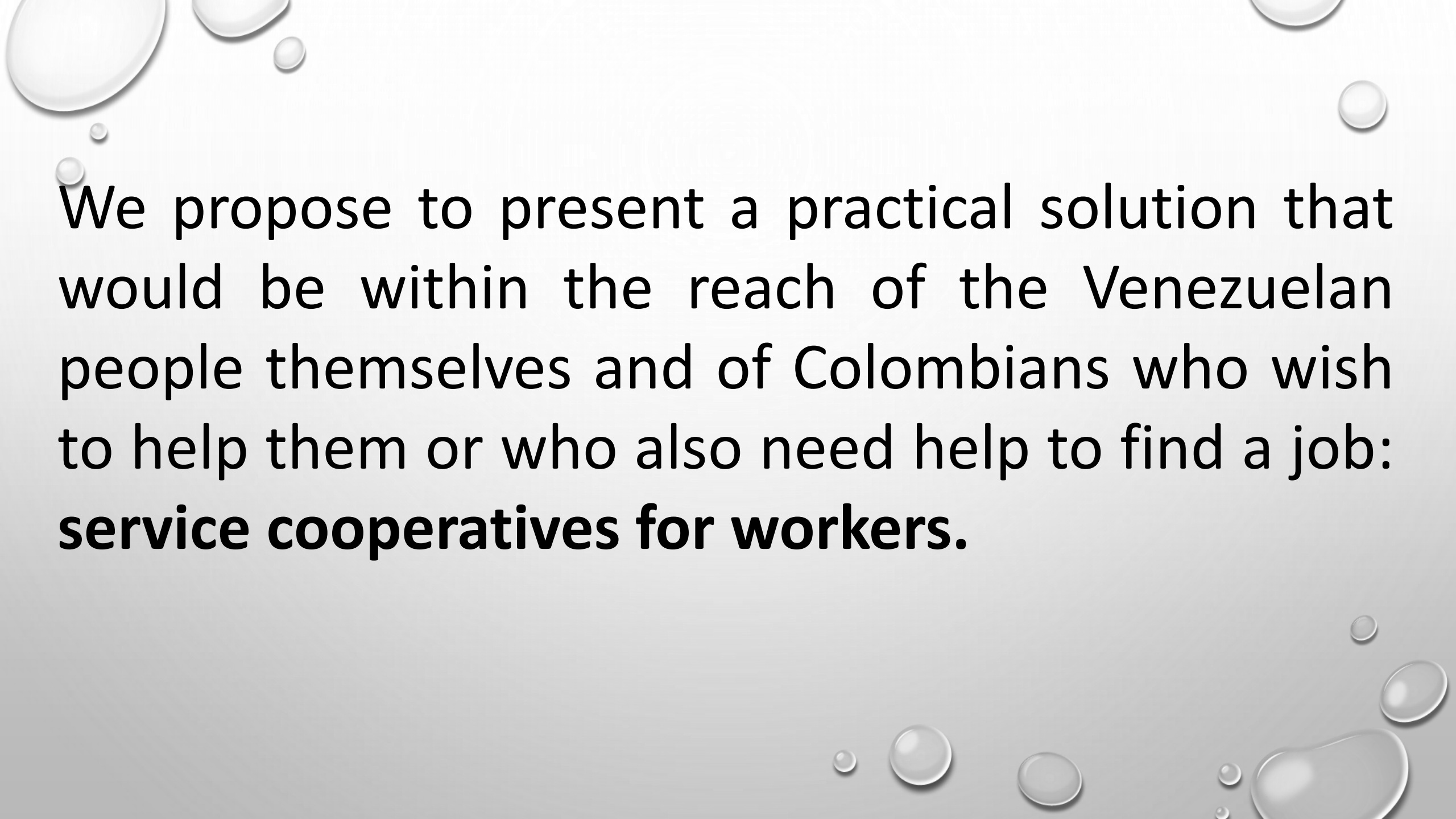
Unfortunately, there have also been attitudes of rejection towards the large quantity of inmigrants .



One of the many problems posed to this socio-economic situation is the generation of jobs for these immigrants and for the Colombians who were already unemployed before the immigration began.

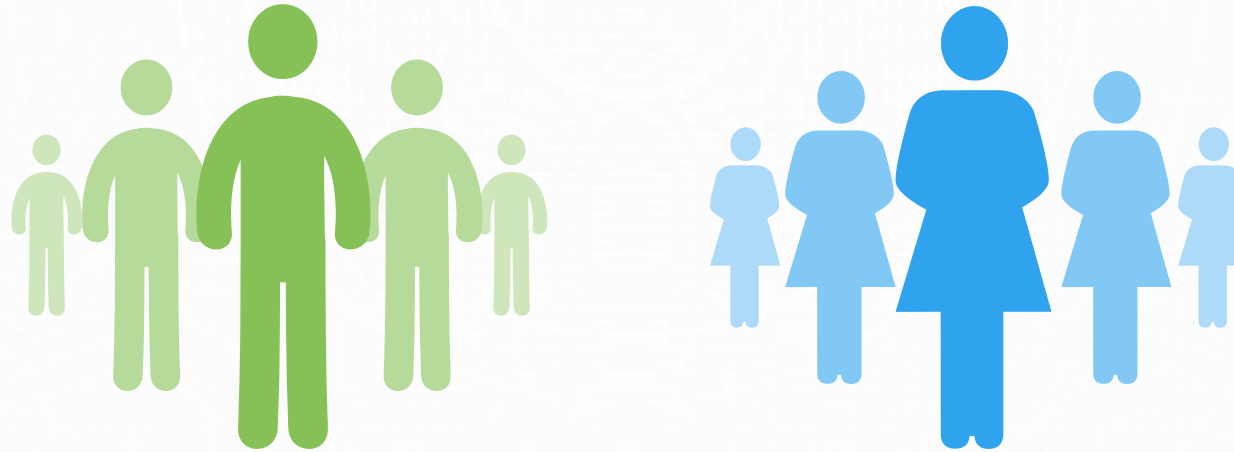


Colombia has requested the cooperation of international organizations to finance the crisis. If there was a greater solidarity from the international community, the Venezuelan workforce could be used to build, for example, roads, hospitals and schools; that is, to improve the infrastructure, which would benefit Colombia and it would provide jobs for thousands of Venezuelans and Colombians.



We propose to present a practical solution that would be within the reach of the Venezuelan people themselves and of Colombians who wish to help them or who also need help to find a job: **service cooperatives for workers.**

## DEFINITION OF SOLIDARITY

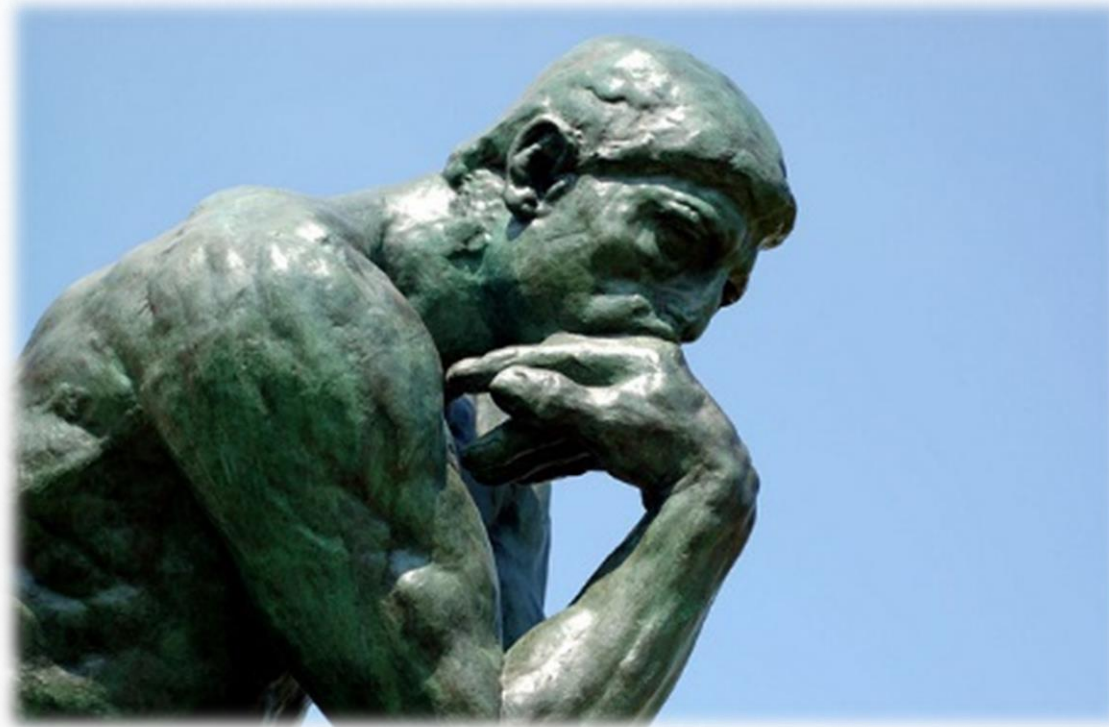


**“Making one's own the cause of the other”**

**It has two manifestations:**

- **The assistentialism (welfare) and**
- **The mutualism.**

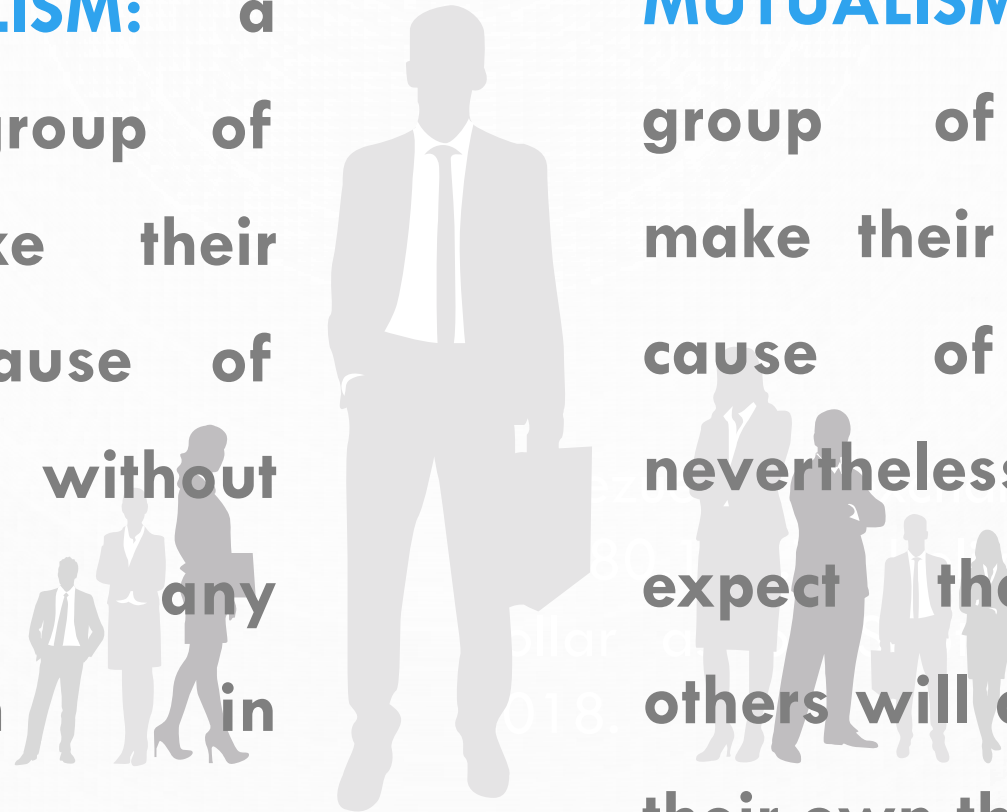
2ND INTERNATIONAL FORUM ON COOPERATIVE LAW  
**ASSISTENTIALISM VS. MUTUALISM**



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**ASSISTENTIALISM:** a person or group of people make their own the cause of others without expecting any compensation in return

**MUTUALISM:** a group of people make their own the cause of others, nevertheless, they expect that those others will also make their own their cause.



## Assistentialism

## Mutualism

A

B

C

D

NGO's

- Foundations
- Associations to help others

Associations to self- help

- Cooperatives and self-help organizations.



# Service cooperatives and **worker cooperatives**


Cooperatives can be classified from many perspectives. One of the most important classifications is according to their purpose. According to this criterion, cooperatives are classified into

- **worker cooperatives** (or associated workers cooperatives)
- **cooperatives of services for its members** (or consumer or users cooperatives).



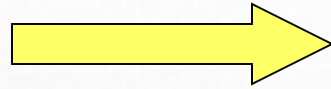
Here, the question to be answered is: What have the members formed the cooperative for?

The answer may then be: for the cooperative to provide them with a job (worker cooperatives).





**Worker  
cooperatives**



**Members** = owners,  
managers and **workers**

**Service  
cooperatives**



**Members** = owners,  
managers and  
**users**

# The problems surrounding worker cooperatives in Colombia

A logical solution to the problem of immigration and unemployment would be the conformation of worker cooperatives, a model recognized worldwide by the International Labor Organization (ILO); however, the abuse of this legal form in previous years has made the Colombian legislation too drastic with this type of cooperatives.

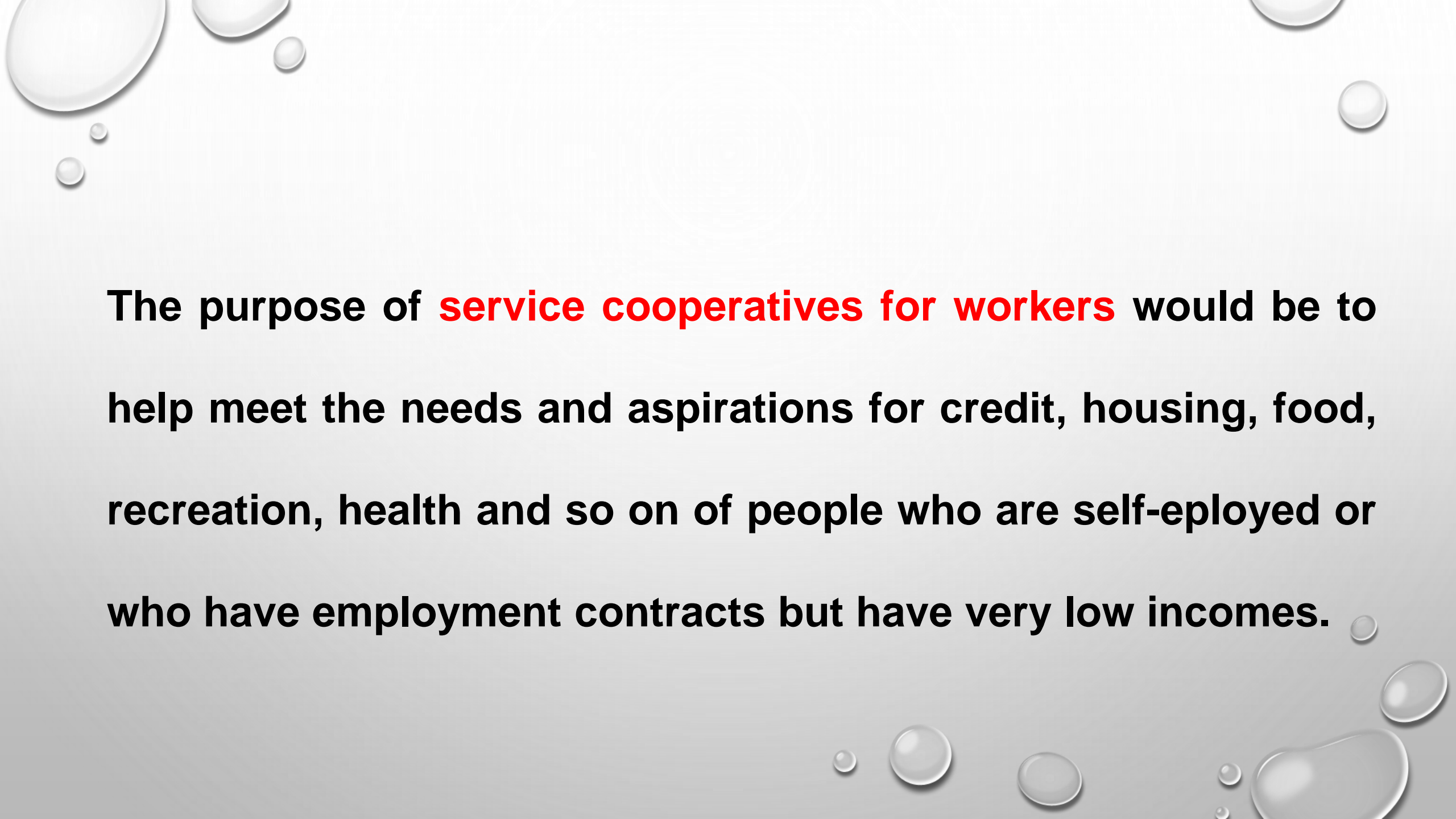
As a consequence of the legal risks involved, currently, companies in Colombia avoid contracting with worker cooperatives.

In reality, most Venezuelan immigrants are not able to obtain formal employment and it is not easy for them to set up businesses, neither commercial nor in the form of worker cooperatives, that can provide them with jobs.

## **Service cooperatives for workers as a possible solution to the crisis**

**In the face of this situation, the idea has arisen to create service co-operatives for workers, with the objective of providing services to the unemployed (Venezuelans and Colombians) so that they can perform different trades independently: for example, selling food on the streets, as street vendors.**

**Colombian legislation does not regulate social cooperatives. However, within the current general legal framework in Colombia nothing prevents the creation of adequate legal norms for this type of cooperatives through the bylaws.**



**The purpose of **service cooperatives for workers** would be to help meet the needs and aspirations for credit, housing, food, recreation, health and so on of people who are self-employed or who have employment contracts but have very low incomes.**

- 
- **FOUNDATION FOR THE PROMOTION OF SOCIAL COOPERATIVES (COLVENCOOP)**
  - **COLVENCOOP COOPERATIVE**



# **Legal problems posed by service cooperatives for workers**

- **What is the appropriate legal framework for this type of service co-operatives for workers?**
- **What legal characteristics should differentiate them from other co-operatives, including social co-operatives in general?**
- **What legal innovations can be developed on the basis of the needs of the members of these service co-operatives for workers and the socio-economic situation that led to their creation?**
- **The majority of immigrants are very young people; this implies thinking of a legal framework for this type of co-operatives that would satisfy the needs and aspirations of the new generations and would make the administration of the co-operatives and the holding of events such as assemblies modernize and adapt to generational change.**

## **Economic problems of service cooperatives for workers**

**The most difficult aspect, of course, is the capital of the service co-operatives for workers. Normally, co-operatives have a capital that is made up of two kinds of resources:**

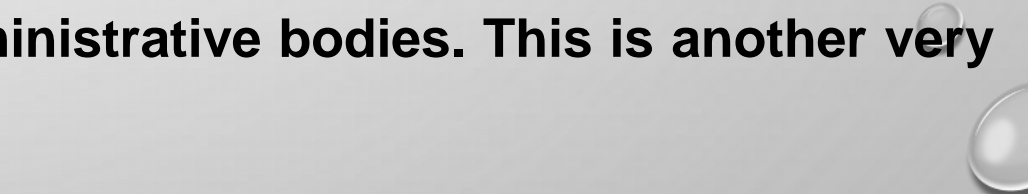
- a) The economic contributions of the members (member shares).**
- b) The funds and patrimonial reserves that are created with the surpluses that are generated or with the donations that are received.**

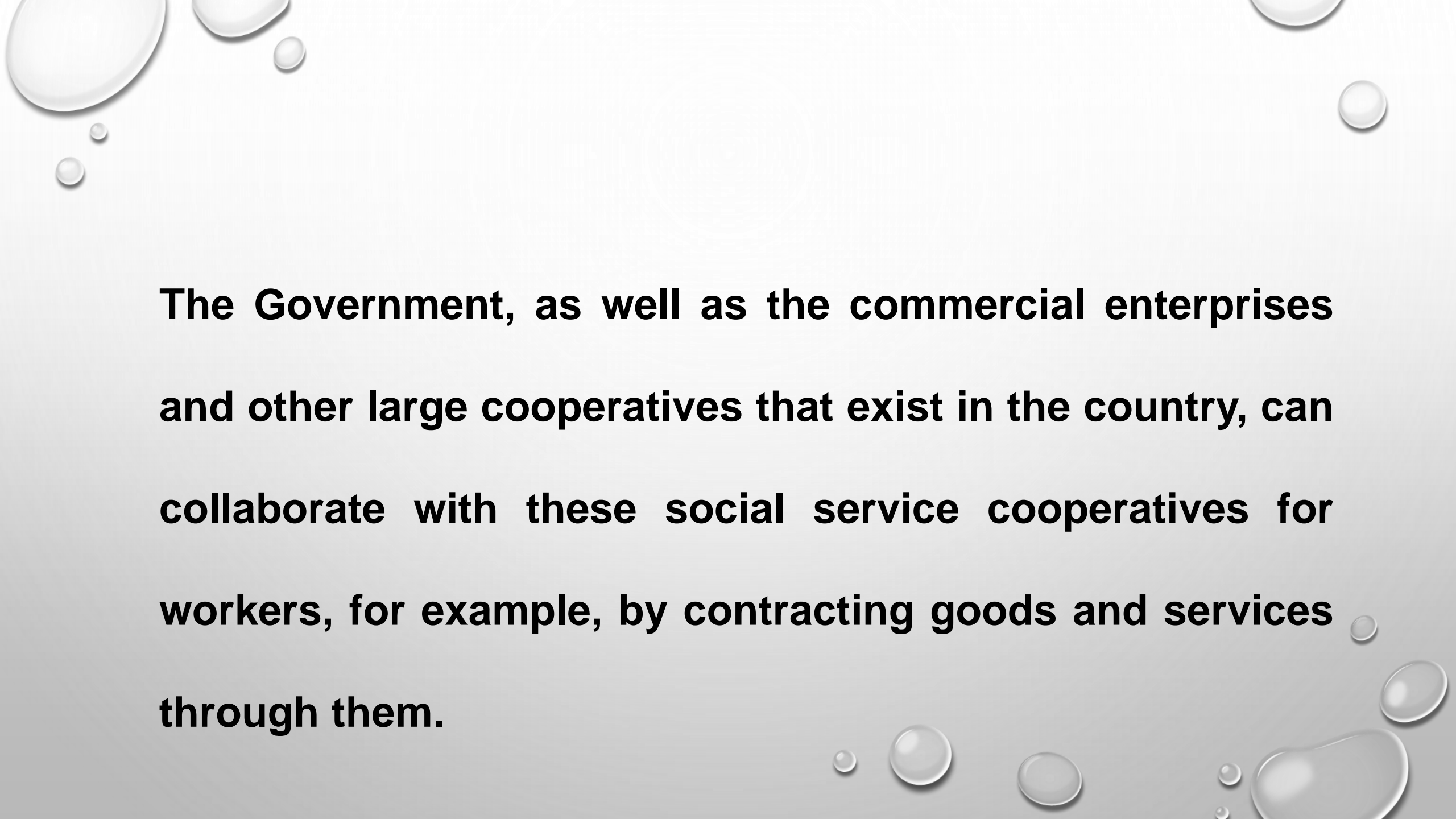




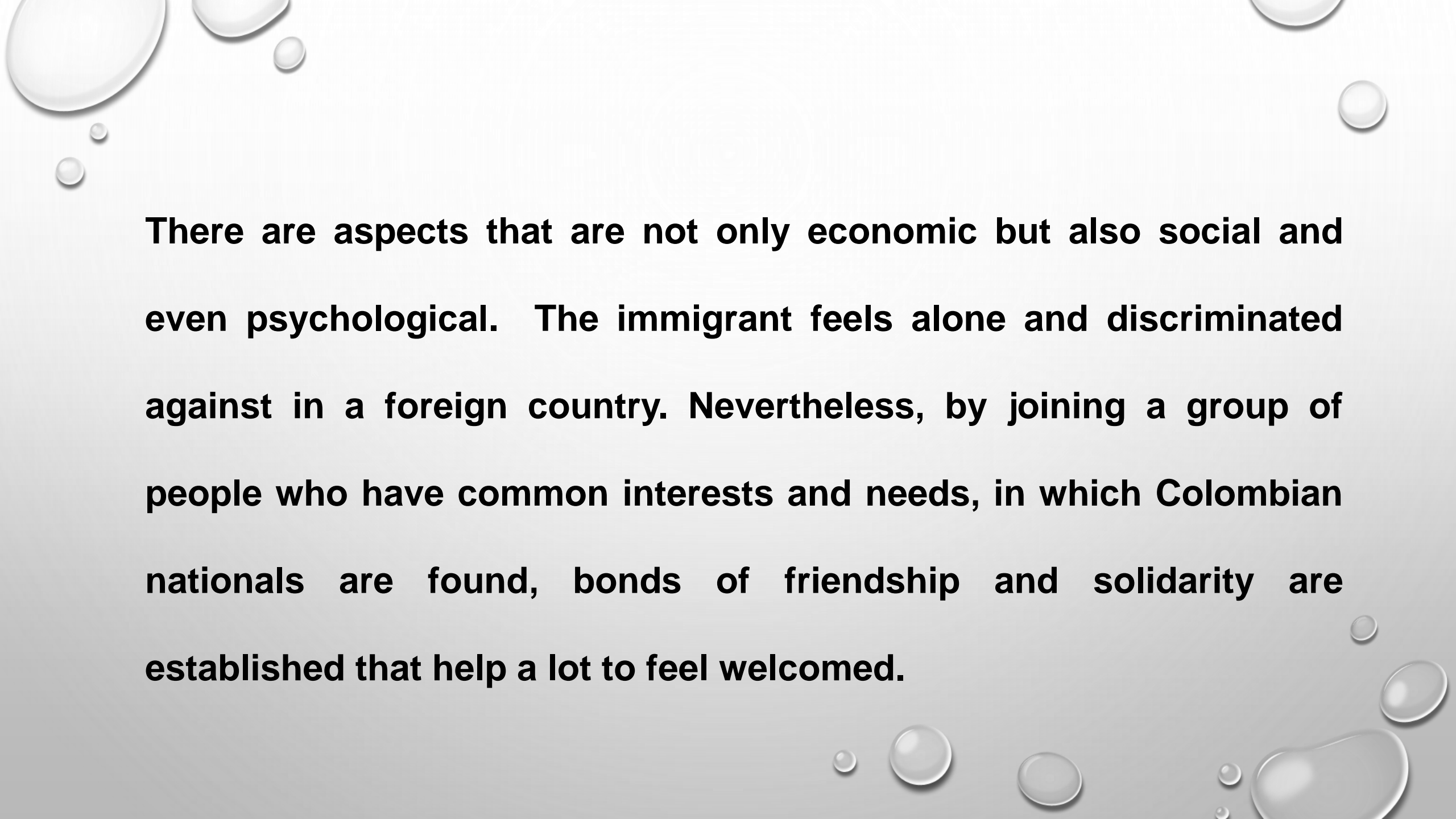
In the case of **service cooperatives for workers** made up of immigrants or unemployed people living in the country, "**help for self-help**" is necessary.

In order to start the co-operative, donations are required that allow a minimum capital to be formed, as well as contributions from some people who wish to support the members of the co-operative and want to be part of the administrative bodies. This is another very important form of collaboration.

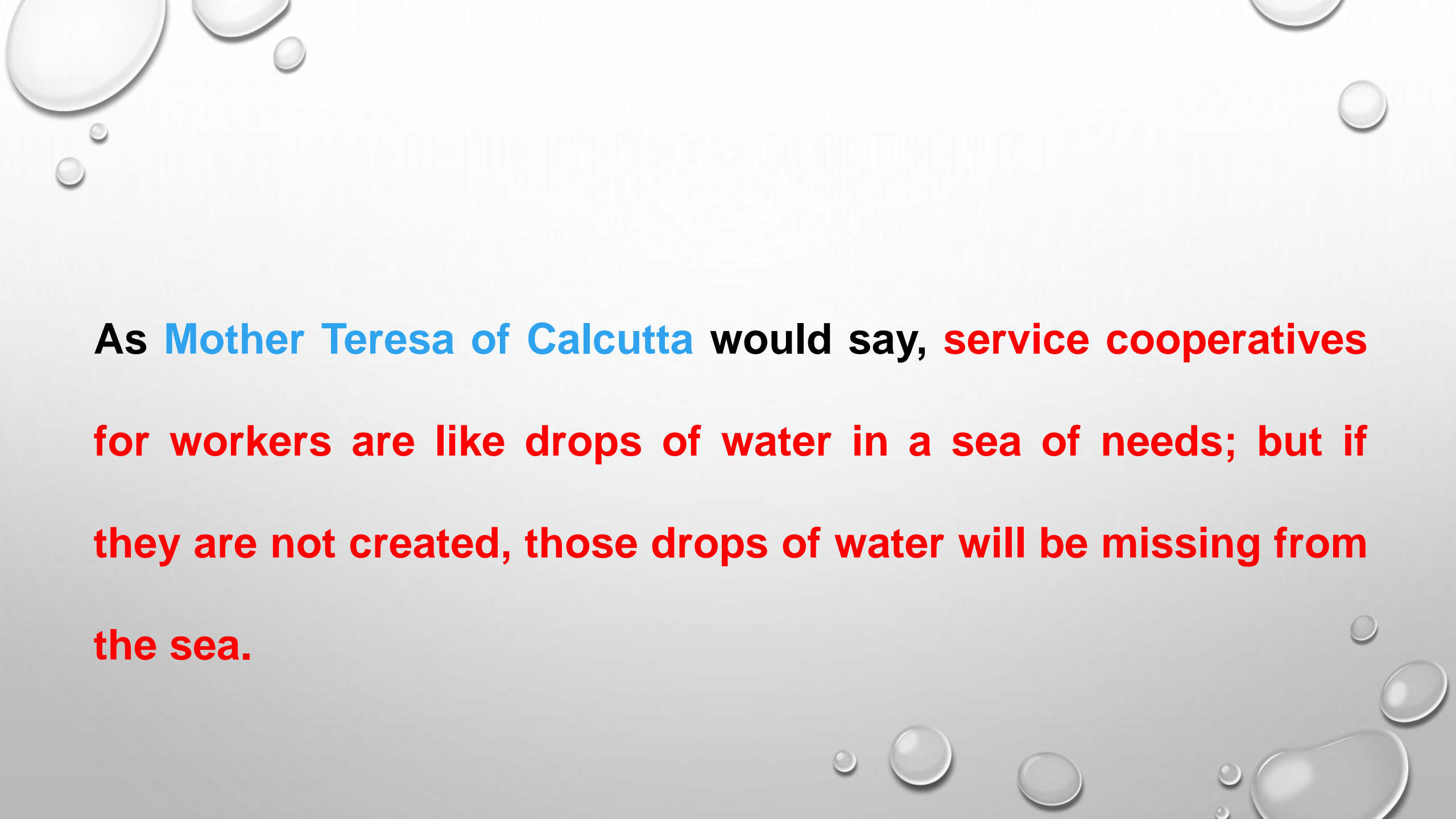




**The Government, as well as the commercial enterprises and other large cooperatives that exist in the country, can collaborate with these social service cooperatives for workers, for example, by contracting goods and services through them.**



**There are aspects that are not only economic but also social and even psychological. The immigrant feels alone and discriminated against in a foreign country. Nevertheless, by joining a group of people who have common interests and needs, in which Colombian nationals are found, bonds of friendship and solidarity are established that help a lot to feel welcomed.**



**As Mother Teresa of Calcutta would say, service cooperatives for workers are like drops of water in a sea of needs; but if they are not created, those drops of water will be missing from the sea.**



ΕΥΧΑΡΙΣΤΩ ! / THANK YOU! / GRACIAS!