Legal foundations of a solidary economy

Vladimir Egorov, Andrey Inshakov, Adelina Nogmova, and Elena Aleksandrova

Abstract. The global economic system, as well as the planetary civilization, as a whole are experiencing an era of "great changes". The transition is overdue from an economy based on the paradigm of "economic man" — calculating, selfish, competitive, striving to maximize profits — to a regenerative one, based on solidarity and cooperation, built into natural cycles and focused on the welfare of the majority. The solidary economy (SE), which is replacing the existing one, is at the same time a transition to a future regenerative economic system. Its positioning is due to the fact that its institutional design consists of forms of organization integrated into the late modern, but whose potential in terms of prospects for social development goes beyond its limits, crossing the border separating modernity from postmodernity. SE can be understood as an ecosystem of practices that already exist — some old, some new, some still emerging. International organizations consider the solidary economy to be the key to implementing the paradigm shift envisaged by the UN Agenda for the period up to 2030 and achieving the Sustainable Development Goals (SDGs). The key understanding of the SE as a system produced by the evolution of the modern economic system, which does not presuppose its revolutionary replacement with forms that constitute an alternative to existing institutions, the authors drew to its description the cooperation that best meets the needs of the transition to a new quality of socio-economic organization.

1 Introduction

The theoretical foundations of SE are laid in the works of Kawano E., Laville J. L., Razeto L., including cooperation in the works of Zhid Sh., Tugan-Baranovsky M.I., Chayanov A.V., Emelyanov I.V. [1-30]. One of the most consistent forms of a solidary economy is cooperation, which has emerged from the depths of the traditional economic system, but still an organization immanent to the market. As in the case of the transition to modernity, cooperation, which was a phenomenon generated by the evolution of traditional economic institutions, during the transition to a regenerative economy focused not on profit, but on maximum satisfaction of the needs of the population, again becomes the most adequate structure capable of ensuring the prospect of social development without social cataclysms (for example, excluding the...
contradiction of labor and capital, which gave rise to a wave of revolutionary movements of the late XIX-early XX century). At the same time, overcoming the differentiation of labor and property, cooperative enterprises operate on two fundamental foundations of modernity: private property and commodity-money relations.

The genesis and development of cooperation took place under the domination of bourgeois relations, therefore its discursive and legal formalization took place under the conditions of the heyday, development and "decay" of capitalism.

The purpose of this article is to analyze the legal and semantic patterns of the structures of the solidarity economy, in general, and in particular as a form of socio-economic self-organization of the population, in order to determine the features and characteristics corresponding to the new conditions of development or hindering such.

2 Methods

Both general scientific and special scientific methods were used to correctly describe the phenomenon of reality and the future, which is the solidarity economy. The method of historicism made it possible to outline the path of the emerging forms of SE. The corporate method provided an opportunity for a comparative analysis of the legal formalization of the SE and the features of its formation in different countries. Quantitative methods of analysis were used to visualize the identified trends in the institutionalization of the solidarity economy.

The classification method is used in defining the concept of SE in the legal acts of foreign countries and determining the essential features of SE enterprises. The international legislation in the field of social and solidarity economy--SSE is considered, a comparative analysis of the legislation of the SSE is carried out from the point of view of actualization of values, principles, organizational forms, political measures aimed at its development. The mechanisms of interaction of enterprises of the social-solidarity economy with state institutions are determined.

3 Results

At the 66th plenary meeting, on April 18, 2023, the United Nations General Assembly adopted the resolution "Promoting a social and solidarity economy for sustainable development" (A/77/L.60). The resolution gives an official definition of the social economy and the economy of solidarity and recognizes that it can contribute to the achievement and localization of Sustainable Development Goals [24].

Subjects of the solidarity economy--cooperative enterprises appeared in Western Europe in the middle of the XIX century. The growth of the cooperative movement has set the state the task of developing cooperative law. In England, the first law on cooperative associations appeared in 1852--the Industrial and Provident Societies Act. Its characteristic features are presented in Table 1.

| Table 1. Features of the creation of cooperative associations (Industrial and Provident Societies Act) in England of the XIX century [28]. |
|---|---|
| **Registration** | Registration of a cooperative does not require a preliminary collection of the part of the pooled capital provided for in the charter. The company starts operations with less capital, gradually selling shares until the capital reaches a certain amount in the founding agreement. |
| **Membership** | Members of the Management Board may be persons who own a small number of shares. This expanded the circle of persons who could stand at the head of the partnership. Thanks to this, cooperative partnerships attracted intellectuals who did not have capital as leaders. |
Revision
Audit of two kinds: Ordinary (Audit) and extraordinary (Examination of affairs by inspectors).

Regulation
The charter specifies: The subject of activity; The name of the company and the seat of the management board; How and when general meetings take place and the method of voting in them; In which cases, and how changes are made to the charter; How the management board and employees are selected; Their powers and method of remuneration; Partnership operations; The size of shares and conditions of assignment; Conditions return of contributions; By whom and how capital can be formed; Method of dividend distribution; Audit process and payment.

Member participation
Limiting the participation of 1 member to 200 fl. The law does not want to allow industrial partnerships to turn into a union of capitalists.

Taxation
Partnerships that do not sell goods to outsiders and do not limit the number of members are exempt from income tax. Since the capital of each member does not exceed 200 fl., members belong to the insolvent class and their income is not more than 160 fl., and up to this limit, income, according to English law, was exempt from taxes.

The partner ship is a legal entity with limited liability of members. It has the right to acquire land property, sell it, lease it, mortgage it, and has the right to place capital in other enterprises. But at the same time, by becoming a member of another "industrial" partnership, the partnership can acquire shares of more than 200 pounds. Thanks to this, wholesale purchasing societies with significant turnover could arise in England, consisting of consumer societies as members.

Responsibility of members
1. A member of the partnership is released from liability if he leaves the company one year before the opening of liquidation;
2. Is not liable for obligations arising after its release;
3. Responds when cash shareholders prove insolvent;
4. Responds within the unpaid part of the contribution;
5. Is considered to have retired from the membership from the time of submitting an application for the desire to speak.

In France of the XIX century, a special law on cooperative societies was not issued. In turn, the rules were introduced into the general Law on Unions of July 27, 1867. Cooperative partnerships were a special type of societies called "societies with variable capital" (societies a capital variable), in view of the difficulty of determining the goals that they can pursue. A characteristic feature of these partnerships was taken into account - frequent changes in personnel and capital. The law did not single out a special cooperative type of enterprises. The law provided only for such forms of organization as a full partnership with variable capital, a limited partnership with variable capital, a joint-stock company with variable capital.

In contrast to English legislation, which does not mention cooperative partnerships, but only "industrial and provident societies" engaged in crafts, wholesale and retail trade, and especially in contrast to French legislation, which knows only companies with variable capital, the German law of 1868 precisely defined the nature of the partnerships regulated by it. The following definition was established in the Prussian law: "unions with an unlimited number of members that promote credit, trade or economy of their members by conducting business at the common expense." German law did not limit the boundaries of the activities of partnerships to either individual classes of the population or certain industries: any trade, any occupation could become the object of the partnership's activities.

Features of Prussian legislation:
1) The right to acquire immovable property in the name of the partnership, conclude contracts, seek and answer in court;
2) In view of the fact that the registered partnership had legal independence, the debts of the partnership were covered primarily by its property. Only if this property turned out to be insufficient, the missing was covered from the property of individual members. (Unlimited liability of participants for the obligations of the partnership).
3) The Board of the partnership—its representative—took the oath and answered in court even in cases where special powers were required by general laws. The Management Board was forbidden to go beyond the limits set by the charter or determined by the general meeting in its activities. The members of the management Board were personally and jointly responsible for the damage caused to the partnership by their actions;

4) The Supervisory Board could get acquainted with the course of the partnership's affairs, view the books and papers of the partnership, check the cash register, and convene general meetings. The Board has reviewed the balance sheet, annual reports, profit sharing proposals and submitted a report to the general meeting;

5) The right and method of convening a general meeting was determined by the charter, and the minimum number of comrades was also indicated there, at whose request an extraordinary meeting was immediately convened;

6) The right of members to withdraw from the partnership, even if the partnership was established for a certain time. The participants were not obliged to stay in it until the expiration of the period stipulated by the charter;

7) A clear boundary was drawn between the property of the partnership and the property of individual members. The creditor of a member could not foreclose on the property of the partnership; but he had the right to demand the interest or dividend attributable to the share of this member, as well as what would be owed to the latter in the event of the withdrawal or liquidation of the partnership.

8) The natural qualities of cooperation (undifferentiation of labor and property, direct democracy), which have received legal formalization, have created the possibility of its harmonious integration into the market economy and development in the format of a trend that determines the prospect of social development in the era of civilization to postmodernity.

SSE organizations are already present in all areas of the economy that are included in the Sustainable Development Goals adopted by the UN [25]. For example, cooperatives promote gender equality by empowering women in the local economy and society around the world; support access to education by providing funds for its financing, creating their own schools for young people and adults. Cooperatives ensure a healthy lifestyle by establishing an infrastructure for the provision of medical services.

Cooperative organizations contribute to food security by helping small farmers, fishermen, livestock breeders, forest owners and other producers to solve the numerous problems they face in their activities, become participants in the process of facilitating access to clean water and sanitation, compensating for the shortcomings of both the public and private sectors by being present in this area. Energy cooperatives contribute to the achievement of sustainable energy goals related to achieving qualitatively new energy efficiency and reducing carbon emissions.

The issues of SE development are increasingly being discussed at the international level [10]. The scientific community [7] raises questions:

• Institutionalization of SE in state structures;
• Coordination of the SE policy with other government programs;
• Formation of local SE policy;
• Inclusion of SE programs in state policy;

The International Labour Organization (ILO) conducted an analysis of regulatory legal acts regulating the work of SE in countries around the world. The values of the SE are reflected in the national legislative bases of foreign countries. The ILO report groups SE values by the categories given in Table 2.
### Table 2. Representation of values in legal documents on SE [6]

<table>
<thead>
<tr>
<th>Caring for people</th>
<th>Equality</th>
<th>Independence</th>
<th>Integrity</th>
<th>Self-governance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>20</td>
</tr>
<tr>
<td>Bolivia</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Brazil</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>18</td>
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<tr>
<td>Cameroon</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>7</td>
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<tr>
<td>Canada</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>1</td>
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<tr>
<td>Slovakia</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>6</td>
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<tr>
<td>Spain</td>
<td>+</td>
<td>+</td>
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<td></td>
<td>16</td>
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<tr>
<td>Tunisia</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Uruguay</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>16</td>
</tr>
</tbody>
</table>

**Total**: 20, 14, 18, 7, 16

### Table 3. Presentation of principles in legal documents at the SSE [6]

<table>
<thead>
<tr>
<th>Social or public purpose</th>
<th>Prohibition or restriction of profit distribution</th>
<th>Participatory democratic governance</th>
<th>Voluntary cooperation</th>
<th>Autonomy and independence</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>20</td>
</tr>
<tr>
<td>Belgium</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>14</td>
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<tr>
<td>Bolivia</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>18</td>
</tr>
<tr>
<td>Brazil</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>7</td>
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<tr>
<td>Cameroon</td>
<td>+</td>
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<td></td>
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<td>16</td>
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<td>Canada</td>
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<td></td>
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<td>16</td>
</tr>
<tr>
<td>Cape Verde</td>
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<tr>
<td>Slovakia</td>
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<tr>
<td>Uruguay</td>
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<td></td>
<td>16</td>
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</tbody>
</table>

**Total**: 20, 14, 18, 7, 16
Thus, the basic natural qualities of cooperation and the norms of legislative consolidation of the past have not lost their relevance in the process of its historical path and the current socio-economic process. Moreover, responding to the needs of social evolution and reflecting the tendency of world civilization to build a regenerative economy, cooperation is gradually being freed from the traits acquired as a result of the influence of dominant capitalist relations. Thus, in modern cooperative enterprises, the goals of their activities aimed at the realization of public interests are gaining importance; associations of shareholders are moving away from the practice of profit distribution, and are increasingly freed from the influence of the state.

At the same time, the development of the cooperative movement (which also indicates the increasing demand for cooperation) is manifested in the expansion of the palette of organizational forms and types of specialization of cooperative associations, as well as SE enterprises in general.

The legislative acts of the SE cover a wide range of organizational forms of enterprises, with the most popular being cooperatives and associations. Other organizational forms include: mutual aid societies, foundations and social enterprises.

The legislation of Cape Verde, Colombia, Slovakia provides for a wide range of organizational forms that fall under the definition of the subjects of the SSE. The legal acts of Luxembourg, the Emilia-Romagna region in Italy, Romania or Uruguay include in the SE any organizational form corresponding to the stated principles of social orientation. For example, Luxembourg legislation contains requirements that organizations operating in the SE must comply with.

Table 4. Organizational forms of enterprises in legal acts on SSE [6]

<table>
<thead>
<tr>
<th>Country</th>
<th>Cooperatives</th>
<th>Mutual societies</th>
<th>Associations</th>
<th>Funds</th>
<th>Self-help groups</th>
<th>Total</th>
</tr>
</thead>
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<td>+</td>
<td>+</td>
<td></td>
<td></td>
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<td>22</td>
</tr>
<tr>
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<td>+</td>
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<td>+</td>
<td></td>
<td>18</td>
</tr>
<tr>
<td>Bolivia</td>
<td>+</td>
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<td></td>
<td></td>
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<td>21</td>
</tr>
<tr>
<td>Brazil</td>
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<td>10</td>
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<tr>
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<td></td>
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<td>13</td>
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<tr>
<td>Canada</td>
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<tr>
<td>Cape Verde</td>
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<tr>
<td>Colombia</td>
<td>+</td>
<td>+</td>
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<tr>
<td>Djibouti</td>
<td>+</td>
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<tr>
<td>Ecuador</td>
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<tr>
<td>France</td>
<td>+</td>
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<td>+</td>
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<tr>
<td>Honduras</td>
<td>+</td>
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<tr>
<td>Italy</td>
<td>+</td>
<td>+</td>
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<td></td>
<td></td>
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<tr>
<td>Mexico</td>
<td>+</td>
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<tr>
<td>Portugal</td>
<td>+</td>
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<tr>
<td>Romania</td>
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<tr>
<td>Senegal</td>
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<tr>
<td>Slovakia</td>
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<tr>
<td>Tunisia</td>
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<tr>
<td>Uruguay</td>
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<tr>
<td>Total</td>
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<td>21</td>
<td>10</td>
<td>13</td>
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</tr>
<tr>
<td>Country</td>
<td>Cameroon</td>
<td>Brazil</td>
<td>Canada</td>
<td>Mexico</td>
<td>Uruguay</td>
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<td>Definition</td>
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<tr>
<td>Cameroon</td>
<td>A social economy enterprise is defined as a small or medium-sized enterprise that is collectively owned, which carries out mainly and on a permanent basis activities for the production or distribution of goods and services in accordance with the principles of social economy.</td>
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<tr>
<td>Brazil</td>
<td>Enterprises organized in the form of a cooperative society, limited liability partnership, civil partnership and joint stock company in compliance with the following requirements:</td>
<td></td>
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</tr>
<tr>
<td>Canada</td>
<td>Enterprises whose activity consists in the sale or exchange of goods or services and which are managed in accordance with democratic principles. It can be in the form of a cooperative, partnership or association.</td>
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</tr>
<tr>
<td>Mexico</td>
<td>Public organizations, communities, workers' organizations, cooperative societies, enterprises owned by the majority or exclusively by employees;</td>
<td></td>
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</tr>
<tr>
<td>Uruguay</td>
<td>1. Cooperatives, regardless of their type or form.</td>
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</tr>
<tr>
<td>Brazil</td>
<td>Enterprises organized in the form of a cooperative society, limited liability partnership, civil partnership and joint stock company in compliance with the following requirements:</td>
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</tr>
<tr>
<td>Canada</td>
<td>Enterprises whose activity consists in the sale or exchange of goods or services and which are managed in accordance with democratic principles. It can be in the form of a cooperative, partnership or association.</td>
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<tr>
<td>Mexico</td>
<td>Public organizations, communities, workers' organizations, cooperative societies, enterprises owned by the majority or exclusively by employees;</td>
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</tr>
<tr>
<td>Uruguay</td>
<td>1. Cooperatives, regardless of their type or form.</td>
<td></td>
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</tr>
</tbody>
</table>

**Table 5. Definition of SE in different countries [6]**
companies that, in accordance with their articles of association, meet the following conditions:

- they strive for social benefits;
- they apply the following management principles:
  1. deduction of 20% to 50% of the profit for the financial year intended for the creation of a mandatory statutory reserve, known as the "Development Fund",
  2. prohibition of the company to write off capital and carry out capital reduction, unmotivated by losses, except in cases when this operation is necessary for the continuous operation of the enterprise.

In general, the legislative acts of the SE act as a basis, establishing guidelines for the operation of the SE in the country. The existence of a single law implies the adoption of separate decrees or by-laws for the implementation of political measures.

Tunisian legislation defines the procedure for classifying an organization as a SE. Thus, the company is assigned the status of "enterprise of social and solidarity economy" no later than within one month from the date of filing the application. After this period, the application is considered satisfied. Registration and updating of registration of social and solidarity economy enterprises in the National Register of Enterprises is carried out in accordance with the current legislation. An additional register is specifically provided, called the "auxiliary register of social and solidarity economy." [19].

According to Brazilian legislation, enterprises of the solidary people's economy, interested in using the benefits established by law, when registering with the body responsible for the State Policy of Promoting the solidary Economy, must:

- register by specifying the accepted association form, the number of its members, the address of the headquarters or location;
- submit, if the company is already operating, a report containing a description of the accepted production process, the nature and possibilities of distribution and marketing of the product, as well as other information that is considered necessary;
- submit a draft work containing detailed information on the activities to be developed and available resources;
- submit a statement that members are over 18 years old and do not work on the official labor market, confirmed by workbooks;
- submit a statement that its members reside in this state. [15].

Formal requirements for enterprises wishing to become subjects of the SE have also been introduced in Romania. A certificate confirming the subjectivity of the SE is issued to those enterprises that meet the following criteria:

1. act for social purposes and/or in the interests of the community;
2. allocate at least 90% of profits for the implementation of social goals and replenishment of the statutory reserve;
3. undertakes to transfer the assets remaining after liquidation to one or more social enterprises;
4. applies the principle of social justice to employees, ensuring a fair level of wages, between which there can be no differences exceeding the ratio of 1 to 8. [12].

The procedure for granting the status of a registered social enterprise is present in the legislation of Slovakia. [3]. The implementation process begins from the moment the application is submitted. The application for the status of a registered social enterprise must be made in writing and contain the identification data of the applicant and the identification of the new social enterprise for which the applicant is applying for the status. The application for the status must be submitted in the form defined by the Ministry of Labor. The application must be accompanied by:

- a certificate confirming the subjectivity of the SE;
data required to request information about the applicant's criminal record and consent to the processing of personal data;

- passport data, if the applicant:
  1. is neither a trading company nor a cooperative;
  2. is a legal entity, has a registered office, or is an individual, has its place of business in another member state;
  3. business plan of a social enterprise if it is a startup company.

The legislation of [3] Slovakia provides for special tax benefits for the SE enterprise. Investment assistance can be provided in the form of an income tax benefit. A taxpayer who is a legal entity and an enterprise that brings public benefit can claim a tax benefit for economic activity, which is a percentage of the obligations to use profits to achieve basic social goals for the tax period in which the status of a registered social enterprise was granted as of the last day of the tax period.

A special practice of regulating SE exists in Argentina. The accounting of SE enterprises is conducted here together with family farms. They are combined into one register of enterprises [17]. Tax preferences for SE enterprises are provided for by Portuguese legislation [16].

Italian legislation provides for the implementation of a special regional policy that facilitates the work of banks, financial companies, which are based on the principles of ethical, mutual and solidarity policy. Such companies are obliged to annually provide their partners with a complete and detailed picture of all loans issued to legal entities, making public all the names [14].

Table 6. Public policy measures reflected in the legislation of the SSE [6].

<table>
<thead>
<tr>
<th>Registration requirements</th>
<th>Tax incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina, Bolivia, Brazil, Cameroon, Colombia, Djibouti, Ecuador, France, Romania, Slovakia, Tunisia, Uruguay</td>
<td>Cape Verde, Djibouti, France, Honduras, Portugal, Slovakia</td>
</tr>
<tr>
<td>Auxiliary institutions for training</td>
<td>Argentina, Brazil, Ecuador, Italy</td>
</tr>
<tr>
<td>Legal consulting services</td>
<td>Belgium, Colombia, Djibouti, Ecuador</td>
</tr>
</tbody>
</table>

Coordinating national councils for the development of SE exist in Djibouti, Colombia, Belgium. There are permanent regional offices in Italy [13] for a solidary economy. The representation is an institutional instrument, a coordinator of opinions and proposals concerning measures to support the solidarity economy and, in particular, for:

- activation of common ways to promote programs, actions and measures to support the solidarity economy;
- facilitating the development of supply chains.

The importance of training SE participants is disclosed in the legislation of Ecuador. At all levels of the country's education system, curricula, subjects, specialties and vocational training programs are being created on topics related to SE, in particular in the field of production and/or sale of goods or services [18].

The Brazilian government provides assistance to enterprises of the solidary economy in the form of:

1. capacity-building courses, training of members of enterprises of the solidary people's economy in the areas mentioned in the previous paragraph;
2. legal and institutional support for the establishment and registration of enterprises of the solidary national economy.

The world experience of state policy in relation to SE is presented in Table 7.
Table 7. State policy in relation to SE (World experience) [15].

<table>
<thead>
<tr>
<th>Includes</th>
<th>Covers</th>
<th>Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>◦ Compilation of case studies and mapping of policies that contribute to the creation of territorial ecosystems that support the development of SE:</td>
<td>◦ Establishment of financial practices and public procurement, fiscal, legal and legislative mechanisms, as well as audit, etc</td>
<td>◦ Actions for professional qualification; ◦ Initiatives for the dissemination of microcredit; ◦ Promoting the incubation of popular cooperatives; ◦ Support for the organization of associativism; ◦ Creation of SE community centers.</td>
</tr>
<tr>
<td>◦ Provision of practical support to the subjects of the SE at the territorial level;</td>
<td>◦ Encouraging contacts and networking of participants; ◦ Transfer of activities related to food, transport and energy; ◦ Creating sustainable displaced employment; ◦ Demonstrating best practices; ◦ Creating new spaces for dialogue and collaborative development.</td>
<td>◦ Vocational training, basic education and professional qualifications; ◦ Technical advice and assistance in the creation, incubation and consolidation of enterprises within the framework of the SE; ◦ Development of appropriate technologies and access to them; ◦ Access to loans and financing; ◦ Definition of the regulatory framework; ◦ Identification of government structures at different levels for SE actions; ◦ Definition of specific and cross-cutting programs and policies for SE; ◦ Structure and organization of supply (logistics and infrastructure) and demand (public procurement and market) for the products of the sector.</td>
</tr>
</tbody>
</table>

Features of the global economic support of the SE

- Policies that directly affect the SE organization and its legal status;
- Macroeconomic (fiscal and financial) policies that grant privileges to SE organizations, allowing, for example, subsidizing interest and facilitating access to loans;
- Policies that take into account different geographical features and localization levels (i.e. local, regional and/or national);
- Policies aimed at activating certain sectors of the economy and/or specific groups (for the development of agriculture, housing for low-income families, job creation for young people, etc.).

As the world experience of SE has shown, an effective factor in its development is the connection between researchers and practitioners. For example, the Canadian Center for Social Economics, based at the University of Victoria in British Columbia, was established in 2005 with the support of the Social Sciences and Humanities Research Council. This partnership brings together more than 300 researchers and hundreds of SE practitioners and their community partners. The Center acts as an intermediary and initiator of cooperation between six regional research centers and the creation of opportunities and exchanges with international networks. In total, the center has implemented more than 200 research projects and organized many publications, conferences and training events, including distance learning sessions [8].

Another important aspect of the development of SE organizations is their statistical accounting. For example, reliable and comparable statistics on cooperatives are currently lacking in most countries of the world.
2. inform about the development, implementation and evaluation of economic and social policies and programs;
3. promote the analysis of groups of workers or their family members, such as women and men, youth, low-income segments of the population.

To achieve these goals, the statistical data set should, as far as possible, include statistics related to:
1. number and type of cooperatives;
2. members of cooperatives;
3. labor produced in cooperatives, including employment and other forms of labor;
4. economic contribution of cooperatives.

4 Discussion

The study of cooperative law makes it possible to increase the level of awareness and understanding in legal, academic and governmental circles, the nature and principles of the functioning of cooperatives. National laws on cooperatives provide for a wide range of potential activities that cooperatives can engage in. Legislative practice depends on the types of cooperatives (production, consumer); on the types of industry of their activities (banking, agriculture, retail trade, housing construction, etc.); specific goals (for example, health issues); on the characteristics of membership (for example, primary or secondary level) and on the size of the cooperative.

In most countries, there are special rules applicable to cooperatives, while the legislation on cooperatives (and their commercial and social activities) is based mainly on national civil law, namely on the relevant sections of commercial law. In Japan, Switzerland, for example, banking cooperatives are strong players in the financial sector. A different understanding of cooperatives in Norway is that they are directly excluded from financial activities, such as banking or stock exchange transactions.

The Korean Framework Law on Cooperatives of 2012 establishes that a cooperative can be created by at least 5 founding members. Based on the Law on the Promotion of Social Enterprises of 2007, the Government directly certifies and supports social enterprises. Since 2017, the category of "social economy enterprises" has been introduced in various state documents. In addition to social enterprises and cooperatives, this category includes public companies, self-supporting companies and social enterprises. The Government supports all types of companies, certifies social enterprises and provides direct financial support. The provision of direct state support to public initiatives has a deep historical context in Korea.

Public companies are supported by the Ministry of Internal Affairs and Security, self-supporting companies are supported by the Ministry of Health and Social Security, and social enterprises are supported by the Ministry of Small and Medium-Sized Businesses and Startups.

There are two types of cooperatives operating in Korea; one is founded under a special legal regime, and the other under the Framework Law on Cooperatives administered by the Ministry of Economy and Finance. As of 2020, 314,000 people were employed at 32,000 social economy enterprises. Employment at social economy enterprises exceeds 1% of total employment in Korea.

As the ESG agenda becomes more and more popular in global business, the development of indicators to measure the value of a social-solidarity economy is becoming more and more relevant. The Korea Social Enterprise Development Agency Korea uses SVI (Social Value Index), an index for measuring social enterprises, and Coop-Index, an index for self-assessment of cooperatives. International Compliance Association proposes to develop global standards for evaluating cooperatives.
There is a huge variety of national laws on cooperatives in the EU, which correspond to at least six formally different models of legislation:

1. The absence of a law on cooperation (Ireland);
2. Regulation in a formally independent act (Austria, Germany);
3. Regulation in the Commercial Code (Czech Republic, Slovakia);
4. Regulation in the Companies Act (Luxembourg) or in the Companies Code (Belgium);
5. Regulation in the Civil Code (Italy, Netherlands);
6. Regulation in the Code of Cooperatives (Portugal).

In some countries, such as Japan, there are even separate laws on cooperation for each sector. On the other hand, there is no special federal law on cooperatives in the USA, each of the 50 states has its own laws on cooperatives, in total there are about 85 of them.

In many countries, cooperatives can have a legal status either as a cooperative company with limited or unlimited liability, or as a group of economic interests, or as a joint-stock company.

There are also various national requirements for members and fixed capital of cooperatives. Some countries do not have norms defining the minimum number of cooperatives (for example, Bulgaria, Denmark, Luxembourg), while others require at least three members (for example, Germany, Sweden, USA), others require more. For example, in Poland, 10 individuals or 3 legal entities are required to establish and manage an agricultural cooperative, while in Japan, a minimum of 15 members are required.

In most countries, there is no mandatory provision on the minimum capital for the creation of a cooperative. Whenever the charter requires a certain amount of authorized capital, its value is not less than 1,000 euros. However, in some countries the minimum capital requirements are much higher. In Malta, for example, it is 100,000 euros for producer organizations in the agricultural sector.

World experience allows us to identify a number of necessary stages in the formation of a solidary economy. The development of SE in individual countries begins with the development of an action plan by government agencies. In order to achieve significant results, the action plan should be based on an initiative coming from the needs of society, the characteristics and material capabilities of the territory. Figure 1 shows the steps for drawing up an action plan for the development of SE in the country.

The work begins with the search and mapping of existing SE enterprises in the country, searching for statistical data on their role in the economy, assessing the sectors of the economy in which they work, determining their strengths and weaknesses. At the next stage, the problems that exist in the community and how SE organizations can help overcome them are determined. It is necessary to find out where the SE tools can be most effective in solving key social problems. It is promising to identify the sectors of the economy in which SE can be applied.

At the second stage, it is necessary to outline the conditions of a favorable environment for the SE. At the same time, it is necessary to consider ways to mobilize the community, financial instruments, market access, public policy, networks, training, research and technical assistance.

The third stage involves identifying key stakeholders. Many people or organizations in the region can contribute, directly or indirectly, to the promotion of SE. It is important to establish a dialogue with the largest number of interested parties, to argue the relevance of the SE and the need for participation, even in a modest form.

The fourth stage should be a strategy of short- and long-term goals and priorities, indicating what the SE sector will be like in a year, 5, 10, 20 years. Which sectors will develop? What social results will this give?

Government departments and enterprises of the SE should be involved in coordinating and monitoring the implementation of a local or national plan for the development of the SE.
The indicators of the assessment of the social economy sector are: the number of organizations and enterprises of the SE, the number of jobs, the number of products or services sold or delivered, generated income, the number of beneficiaries. A qualitative assessment may include the quality of services or products, or the effectiveness of management and management practices within SE enterprises. Evaluation with the participation of managers, beneficiaries and sponsors is an ideal process for use in the evaluation of SE.

5 Conclusion

The development of law, taking into account historical experience and prospects for the development of a cooperative form of socio-economic organization, should be oriented in the following areas:

- Ensuring that cooperatives freely choose the sphere and branch of their activities;
- Strengthening and developing the norms of direct democracy in the management and disposal of property;
- The inadmissibility of the legal implementation of the alienation of cooperators from the results of their work;
- Exclusion in legal practice of precedents of granting cooperators additional powers in the management of the enterprise, in proportion to the amount of the share contribution;
- Legal determination of the amount of hiring of labor and specialists by cooperatives by the limits necessary to fill in the missing competencies of shareholders, not exceeding their defining role in creating new value;
- Ensuring the transparency and openness of the procedure for joining and leaving the membership of cooperatives;
- Differentiation of personal and private property of participants and cooperative property;
Encouraging the statutory practice of cooperatives of channeling income and profits for public purposes (including the creation of inter-cooperative associations - cooperative cooperatives)

To support the development of the SE as a holistic institutional environment, both legislation and a diversified public policy are necessary. Various types of legal and political support can be used, from constitutional recognition to framework legislation or general state policy, specific laws, support from local authorities, etc.

Recognizing the role of the social economy and the solidarity economy in promoting democracy and social justice, the UN resolution "Promoting a social and solidarity economy for sustainable development" (A/77/L.60) [20] suggests the following ways to promote a solidarity economy:

1. Calls upon Member States to promote and implement national, local and regional strategies, policies and programmes to support and strengthen the social and solidarity economy as a possible model for sustainable economic and social development, taking into account national circumstances, plans and priorities by, inter alia, developing specific legal frameworks, where appropriate, for the social economy and the economy solidarity, publicity whenever possible, the contribution of the social economy and the solidarity economy and the collection of national statistics and the provision of tax incentives and incentives for public procurement, the use of the foundations of social and solidarity economics in training programs and capacity-building of research initiatives, as well as strengthening support for entrepreneurship and business, including by facilitating access of social actors and subjects of the solidarity economy to financing, as well as involvement of subjects of social and solidarity economy in the process of developing state policy [20];

2. Multilateral, international and regional financial institutions and development banks to support the social economy and the economy of solidarity, including through existing and new financial instruments and mechanisms adapted to all stages of development [20];

In some countries, a set of governmental and local initiatives has already been developed that support and promote social and solidarity economy at the territorial level. One of the tasks is to make these initiatives visible and inspire other Territories to implement similar policies.

This policy should go "from the bottom up", because it involves dynamic relations with civil society. Civil society organizations have accumulated knowledge about the practical significance of SE and can increase the scale of their activities through interaction with the state authorities: either in the development or in the application of state policy measures to promote, support, monitor and disseminate SE.

State support measures for SE organizations are discussed in Figure 2 [4].

The SSE policy should be coordinated with other government programs. The Government should ensure measures aimed at promoting SE, coordinated with other programs, ensure the allocation of resources and incentives to other sectors of the economy and institutions. A two-pronged approach is important to ensure policy coherence [4]:

1. SE support should be accompanied by commitments regarding budget allocations, regulatory environment and policy implementation at the national, regional and local levels.

2. Tax, budget, and investment policies may have a negative or positive impact on the SE to the same extent as direct forms of support. Policy in these areas is of key importance for determining the extent of domestic resource mobilization through the public sector and whether the SE can work on equal terms with a profit-oriented business.

Governments can fix the support of the SSE. As a rule, state support is temporary. It should be institutionalized through framework laws, as in Cameroon, France and Uruguay;
6 Acknowledgements
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