

14Th. Conference of the International Association for the Economics
of participation (IAFEP)

Hamilton College. Clinton (New York)

July 15-17 2008

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Challenges for co-operatives in social services in Basque Country.

In Europe, in general, as well as in Spain and in the Basque Country, important social changes has been taking place. In one hand the progressive ageing of population, due to medical, sanitary and nourishing advancements. On the other hand, needs related to families and persons with handicaps, that also demand cares and specific services.

At the same time, a conceptual and ideological evolution is taking place related to the consideration of who is to render those services: the state or private institutions, as well as who is to pay for them: public income through taxes or co-payment, considering different levels of income and patrimony. The discussion also affects to which services should be rendered and which not, and the quality standards applied to them.

In this context, many co-operatives has developed themselves in the Basque Country, in the area of social services with very rich and interesting experiences. Most of them are workers co-operatives, formed and managed by women with very outstanding leadership and innovation processes. They have been able to create and organise a new business area that scarcerly existed previoulusy, and to overcome deep budgeting and quality problems. A specific training has ben achieved for their activity and are really concerned about social responsibility and how to apply it to daily managerial activities.

Many of these co-operatives are non to profit organisations, known in spanish as *cooperativas de iniciativa social* (social initiative co-operatives), a very specific legal type, whose nearest references are italian social co-operatives. Specifically, one of these co-operatives, whose name in spanish is *Servicios Sociales Integrados* (Integrated Social Services), can be used as a very interesting example. So apart from a reference to its evolution, some of the new challenges they confront will be analised. These questions are related to competition, transparency and negative effects of the legal system when aplied to participatory entities.