

**WINS**

Promoting Workers' Involvement in Social Economy Enterprises

**WINS National Event SLOVENIA****Perspectives on economic democracy, employee ownership and worker's buyouts in South East Europe (SEE)****Wednesday, 6th April 2022 – from 10:00 to 12:00 CEST****Online (ZOOM)**

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**Summary**

Slovenian national event organized within the scope of the WINS project took place on April 6<sup>th</sup>, 2022, online. The event was held in English language. 15 participants were present during the event. In addition to the purposes of the local events described in the project, it was also envisioned as a networking event of several NGO-s from SEE – specifically from Albania, Croatia, Montenegro, North Macedonia, Serbia and Slovenia – which work also includes social economy.

The national event focused on perspectives of employee ownership and workers' buyouts with the presentation and promotion of [European COOP-ESOP model](#) of workers buyout model developed by Institute for Economic Democracy (IED).

The workshop was opened by **Miro Mihec**, member of the governing board of Association Social Economy Slovenia (**ASES**). Miro pointed out successful work done by IED, developing and upgrading worker's buyout model, its pan European potential and praised first pilot employee buyout projects based on the model currently being implemented in Slovenia. He also stressed the model's potential benefits of towards South East Europe (SEE). Worker's ownership model is being also prepared as a legislative proposal and basic law in most of the ex-Yugoslav countries is still quite similar offering additional legislative perspective.

Keynote speech was delivered by **David P. Ellerman**, president of the **Institute for Economic Democracy**, world renowned scholar on worker buyouts and ESOP model. Mr. Ellerman pointed out a democratic upgrade of European cooperative ESOP model over the ESOP model in the USA: *Employee stock ownership plan (ESOP) was developed in USA 40 years ago. ESOP is a company financed (not worker financed) gradual conversion to partial or 100% worker ownership...But ESOPs are not democratic since shares are in a trust – as if workers were children... In a democratic worker co-op, there are only members who qualify for the personal rights of membership by working in the firm... Institute for Economic Democracy (Slovenia) has developed and implemented some pilot projects an ESOP model where the trust is replaced by a democratic workers cooperative...This COOP-ESOP model slowly converts an existing healthy firm...to partial or 100% worker co-op...Financing is guaranteed by the healthy company; not by workers (solving the finance problem..."*

After the keynote speech, event hosted a round table titled "Opportunities of economic democracy and worker's buyouts in SEE" with panellists from 6 SEE countries.

First panellists described their work within social economy shared information on cooperative legislature in their respective countries. They also elaborated on presence of economic democracy/ worker buyout models as economic/political ideas in respective societies and by governments.

First presenter was **Milan Medić**, director of **LEADER Network** from Croatia and long-term supporter of worker buyout models. Network manages several EU programmes that offer small grants to rural action groups, also to those connected to social economy development in rural areas in Croatia. Milan also mentioned company ITAS, first and by his knowledge only workers owned company in Croatia. And a documentary film published recently describe ITAS work and struggles.

Next **Aleksandra Lakić**, Program Coordinator, "**Zajedničko**" **Platform** from Serbia outlined the issue of precarious workers in Serbia, pointed out lack of knowhow on the level of different and diverse economic models. Especially workers buyout models. She also mentioned a need for awareness raising and networking across the region. Serbia also recently passed a law on social entrepreneurship.

**Aleksandra Loparska-Iloska**, policy researcher from "**PUBLIC**", North Macedonia (DIESIS member organisation) stressed out the research results connected to ecosystem of social economy

and need for more information and knowledge sharing. She mentioned North Macedonia has developed an action plan for social economy recently and is on its way to prepare a law on social economy and entrepreneurship. Aleksandra also mentioned law on workers cooperatives and rural cooperatives as a potential backbone for potential workers buyouts. Except of rural cooperatives apparently there are no other cooperative models in existence. Currently priority is promotion of workers' rights within the economy.

**Božina Stešević**, Programs developer, **ZID**, Montenegro (DIESIS member organisation) also mentioned social economy and social entrepreneurship as a concept recognised by the national government of Montenegro and to some extent supported by national funds. Montenegro has no law on social economy, no existing strategy. Only few small NGO-s work in the field of social economy, with economic democracy and legal models of workers buyout far away from attention of economy and government. Božina also mentioned existence of the law on agricultural cooperatives.

**Klotilda Kosta**, Director of Programs, **Partners Albania**, Albania (DIESIS member organisation) mentioned existence of law on social enterprises in Albania, which is status based and that currently there is only a small number of NGOs with the status. She mentioned importance of EU funding for development of the sector. Klotilda also stressed the importance of discussions on workers' rights since there is a lack of labour protection structure in Albania. Worker's ownership is still a new topic. Law on agricultural cooperatives exists in the country from 2012.

**Tej Gonza**, Director, **IED**, Slovenia (DIESIS member organisation) briefly described European COOP-ESOP model IED developed and stressed the timely manner of the legislative work being done in Slovenia. With the new government and support to the model by part of economy and several political parties. He also outlined importance of pilot projects to understand situation within companies and work with companies on education on participative leadership, branding strategies, to understand, implement and spread principles of economic democracy in Slovenia. He also stressed strong interest and support to regional network for promotion of economic democracy and COOP-ESOP model

After initial presentations panellists discussed further steps and engagements. Specifically, there are ideas to apply for cross-border EUR projects as Erasmus, Interreg and others to support network building. Initial knowledge sharing, with workshops across the region, was outlined. Also, to prepare and co-develop a brochure to present and promote economic democracy with clear arguments and

clear economic/democratic potential for workers was outlined. In the next few months the network will concretize several project proposals to work on the defined topics.

The event was moderated by **Sebastjan Piki**, board member ASES, IED and DIESIS Network.

This report is prepared by Sebastjan Piki.