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SOCIAL ECONOMY IN ITALY: DIMENSIONS, DYNAMICS AND CHARACTERISTICS*

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Abstract

In the last twenty years, the interest of researchers, policy makers, national and international institutions and society in general has been growing in organizations and enterprises set up and managed in a participatory manner by non-investor actors and whose object is not the profit but rather the response to a need of the promoting group or community. These organizations are increasingly associated with the term "Social economy".

In Italy, the concept of social economy has so far been little used and research, public debate and legislative activity have favoured single components: traditional cooperatives, on the one hand, and other typologies of organizations (social cooperatives, associations and social enterprises) on the other.

With the intention of contributing to filling this gap, this paper – which largely summarizes the Euricse-Istat report on the Italian social economy (2021) – aims to provide a unitary picture of the dimensions and characteristics of the entire social economy in Italy and to explore its sectoral specialization and evolutionary dynamics, showing, finally, some insights into the relationship between the presence of SEOs and variables of social interest, especially with particular reference to welfare services.

Keywords

Italy, Statistics, Cooperative enterprises, Nonprofit Institutions, Economic and employment size

JEL Codes

C81, J21, P13, L31

* This paper, summarizes the main results contained in the Euricse-Istat report published in 2021, edited by Carlo Borzaga, Manlio Calzaroni, Eddi Fontanari and Massimo Lori with the collaboration of Mauro Caramaschi, Carla Troccoli, Chiara Carini and Anna Berton. The report was drafted in the framework of the research agreement "Dimensions, evolution and characteristics of the social economy" stipulated between the Italian National Statistical Institute (Istat) and the European Research Institute on Cooperative and Social Enterprises (Euricse) and with the contribution of the Autonomous Province of Trento.

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1. Introduction

Over the past twenty years, researchers, policy makers, national and international institutions and society as a whole have become increasingly interested in organizations and enterprises that are promoted and managed in a participatory manner by stakeholders other than capital investors. The sole or main aim of these organizations is not profit, but rather meeting the demands of the promoting group or of the community. These companies and organizations are more and more linked to the term "social economy".

Although such organizations were already widespread before the industrial revolution, since the last quarter of the 20th century it has become increasingly evident that these entities have contributed to sustained and sustainable economic development, to the growth of employment, in addition to tackling effectively many still-unresolved challenges and participating in the effort geared at reducing levels of inequality (CIRIEC, 2017). The awareness of the need to re-assess their role has thus grown together with the recognition that these organizations are part of an institutional design and that they represent an efficient way of organizing a wide range of productive activities, as much as—and sometimes more than—traditional enterprises. The activities can range from the conservation and transformation of agricultural produce and the provision of general services to knowledge-intensive productions.

The increasing interest in social economy organizations is confirmed by the attention paid by the European Commission to this phenomenon and to its evolution (European Commission, 2020a; 2020b). This growing attentiveness has led to the approval of the Social Economy Action Plan (European Commission, 2021) aimed at promoting the further strengthening of social economy organizations in the European Union and aimed at pursuing the more general objective of creating a more sustainable, equitable and inclusive growth model.

That said, the boundaries these entities vary according to their legal context and prevailing culture. If we look at Europe, the most commonly used term is social economy (and more recently, social and solidarity economy). This term encompasses three large organizational "families", namely associations, cooperatives and mutuals, which lately have been joined by foundations and other non-profit institutions as in the case of social enterprises (CIRIEC, 2012; Social Economy Europe, 2021). The European Commission adopted a similar approach and parameters in the 2021 Social Economy Action Plan.

To date, in Italy, the concept of social economy still has a secondary role both in research and in public debate. Italian legislative activity has privileged individual components such as mutuals and cooperatives on the one hand, and different kinds of associations, social cooperatives and social enterprises, on the other¹.

The present study largely summarizes the main results published in the Euricse-Istat report on social economy (Euricse-Istat, 2021) and its goal is to provide an overall view of the scope and features of social economy in Italy. It includes an in depth analysis of cooperative enterprises (Istat-Euricse, 2019) as well as of other non-profit organizations, in particular associations and foundations. We firmly believe that such a holistic approach constitutes the prerequisite to grasp the economic and social role of social economy organizations better and, consequently, constitutes the premises to identify the appropriate methods to support and monitor them.

The paper is structured as follows: Section 2 illustrates the data sources used in the analysis, Section 3 describes the overall scope of social economy in Italy and Section 4 briefly highlights the main features of employment in social economy organizations. Finally, Sections 5 and 6 look into the sectoral specialization and into the evolutionary dynamics of social economy organizations; subsequently some final considerations will be drawn.

2. Data sources

This study integrates several data sources that have been made available by the Italian National Institute of Statistics (Istat). Specifically, to create this report the following statistical registers contained in SIR (*Sistema Integrato dei Registri*) were used: Asia Active Business, Asia Employment, Frame SBS and the Permanent census of nonprofit institutions

The Asia Active Business register is made up of all enterprises carrying on economic activities in the fields of industry, trade and services, and it provides identification (name and address) and stratification (main economic activity, size, legal form, date of creation and date of cessation, turnover) variables².

¹ Since 2016, Italian legislation has defined as "Third Sector" all private non-profit organizations, pursuing civic, social or solidarity goals.

² In terms of economic activities, Asia excludes from its scope: agriculture, forestry and fishing (Section A in NACE Rev.2); public administration and defence; compulsory social security (Section O); activities of membership organizations (Division 94); activities of households as employers; undifferentiated goods- and services-producing activities of households for own use (Section T); activities of extraterritorial organizations and bodies (Section U); economic units classified as public institutions and private non-profit institutions. The Register is updated yearly through a process of integration of administrative and statistical

The Asia Employment register contains details on the employment of units covered by the Asia Business register and is organized according to a LEED structure (Linked Employer Employee Database) obtained from the integration of different administrative sources (social security data, tax data, Chamber of Commerce data, insurance data). The LEED type structure brings together information from both sides of the enterprise, individual (workers) and job relation classified according to the international standards on employment, in the reference year. Employment is measured in terms of yearly average of job positions, calculated on the base of the weekly presence of workers.

The Frame SBS statistical register estimates the main variables of the income statement on an annual basis thanks to the massive use of microdata gathered from integrated administrative sources. Frame SBS and Asia Business register share the same set of observation with the exception of financial and insurance activities, which are excluded in the first case.

The permanent census of nonprofit institutions provides a statistical picture of the sector in Italy, by measuring size, organizational framework, human resources, economic and social dimensions of nonprofit institutions. It is based on two key elements: the use of a statistical register and the sample survey of non-profit institutions. Every year, the register is updated with information on the structural features of the sector, including institutional structure, activities and employees. The sample survey, instead, is administered every three years and it integrates the information contained in the register through specific in-depth analyses.

3. The structure of the social economy

In 2015, social economy in Italy was made up of 379,176 organizations—cooperatives, associations, foundations and other non-profit institutions³—with a total value added of over 49 billion EUR⁴, 1.52 million workers (of which 1.49 million employees) and more than 5.5 million volunteers. As shown in Table 1, the role of social economy organizations (SEOs) is quite significant, especially in terms of its weight on the private economy.

sources.

³ Other non-profit institutions: ecclesiastical bodies, mutual aid societies, sports clubs, social enterprises and other entities with private nature.

⁴ The value added of the agricultural sector and of cooperative credit banks is not included. The value added produced by social economy increases to 51.8 billion EUR and to 1.58 million workers if we also include non-cooperative enterprises (e.g., joint-stock companies) controlled by cooperatives (50% + 1 of the voting rights in the assembly).

Within the private sector, social economy accounts for 8.0% of organizations, 6.7% of value added, 9.1% of workers and 12.7% of employees⁵.

Table 1 – Number of organizations, added value, number of workers and employed staff in Social Economy - Year 2015 (absolute and percentage values)

	SEOs	Value added	Workers*	Of which employees	Volunteers
Absolute value (thousands EUR)	379,176	49,133,952	1,519,019	1,493,830	5,528,758
Incidence on private economy (%)	8.0	6.7	9.1	12.7	-

Source: Istat – Asia Active Business, Asia Employment, Permanent Census of non-profit institutions, Frame SBS.

* Workers include employees and self-employers.

A closer analysis of the legal forms of the SEOs (Table 2) reveals that 75.7% of them are associations, whereas cooperatives count for 15.6% and, in particular, 3.8% of them take on the form of social cooperatives. However, if we consider the economic weight, the situation is reversed with cooperatives contributing the most significant part of value added produced by SEOs, with a share of 60% (8.1% social cooperatives, 20.5% other nonprofit organizations).

Table 2 – Number of organizations, added value, number of workers and employed staff in Social Economy according to legal form - Year 2015 (absolute values)

Legal form	SEOs	Value added (thousands EUR)	Workers	Of which employees	Volunteers
Associations	286,942	12,498,651	146,537	146,537	5,020,809
Foundations	6,451	3,284,093	87,878	87,878	62,211
Cooperatives	59,027	28,613,181	1,151,349	1,126,159	43,781
of which Social cooperatives	14,263	8,084,991	380,070	-	43,781
Other legal forms	26,756	4,738,028	133,256	133,256	401,957
Total (a)	379,176	49,133,952	1,519,019	1,493,830	5,528,758

Source: Istat – Asia Active Business, Asia Employment, Permanent Census of non-profit institutions, Frame SBS

(a) Any differences between the sum values and the relative total are exclusively due to the rounding off in decimals

In terms of value added, the contribution of all the other legal forms is quite noteworthy: associations generate 12.5 billion EUR; other nonprofit organizations such as

⁵ If we include subsidiaries, the weight of social economy on the private sector in terms of value added increases to 7.0% and in terms of employment rises to 9.4%.

ecclesiastical bodies, mutual aid societies, sports clubs, social enterprises, etc. weigh in for 4.7 billion EUR and foundations for 3.3 billion EUR.

From an employment standpoint, cooperatives account for more than 75% of the total number of employees (1.15 million, of which 380,000 in social cooperatives).

Volunteers play a pivotal role, especially in associations, which, in 2015, mobilized over 5 million people - that is to say more than 90% of the total number of volunteers employed by SEOs. On average, associations employ 17.5% of volunteers compared to the 15.0% in other nonprofit organizations and 9.6% in foundations.

In 2015, 41.3% of Social Economy Organizations (SEOs)⁶ had a market orientation⁷. Even though it did not form the majority of SEOs, this component employed 93.9% of social economy personnel and generated about 90% of the total value added. Non-market SEOs employed fewer workers (6.1% of the total)—counted mainly on unpaid personnel (63.8% of volunteers active in social economy)—and were responsible for 10.1% of the social economy's value added.

With respect to the legal form, all cooperatives are market oriented, while associations (69.4%), foundations (60.3%) and other legal forms (72.5%) are prevalently non-market. Finally, in 85.5% of cases, SEO revenues are of a private nature, thus highlighting the organizations' ability to remain on the market in addition to their crucial redistributive role.

4. Social economy employment features

The analysis shows that, in 2017, females accounted for 60% of employees in SEOs compared to 39.2% in other private enterprises (Table 3). Additionally, SEO personnel mostly belongs to the 30-49 age range (55.4%), while the over 50s represents the 31.8% of employees—a slightly higher percentage than in other private enterprises (28.0%).

Concerning professional qualifications, blue-collar workers make up 57.0% of social economy personnel compared to 53.3% in other private enterprises and white-collar workers account for 38.2% of employees (37.7% in other private enterprises).

⁶ In this case, only Third Sector organizations are taken into account, e.g., associations, foundations, social cooperatives, and other legal forms.

⁷ Market organizations sell to others all or most of what they produce at an economically significant price, whereas non-market organizations supply their goods and services for free or sell them at not economically significant price. An economic unit is defined as a "market" organization when revenues generated from the sale of its goods and services cover at least 50% of the costs incurred in the production process.

Conversely, compared to other private enterprises, middle managers are under-represented in SEOs (1.4% versus 3.8%).

Table 3 - Employees of SEOs and other private enterprises by gender, age, professional qualification, occupation character, contractual working time and educational level - Year 2017 (percentage values)

	SEOs	Others
<i>Gender</i>		
Female	57.2	39.2
Male	42.8	60.6
Not indicated	0.0	0.2
<i>Age</i>		
15-29	12.8	16.4
30-49	55.4	55.3
50+	31.8	28.0
Not indicated	0.0	0.3
<i>Professional qualification</i>		
Blue collar	57.0	53.3
White collar	38.2	37.7
Middle manager	1.4	3.8
Apprentice	0.8	3.6
Executive	0.5	0.9
Other	2.1	0.7
<i>Occupation character</i>		
Permanent employees	80.8	85.1
Temporary employees	19.2	14.9
<i>Working time</i>		
Full time	54.1	73.2
Part time	45.9	26.8
<i>Educational level</i>		
No title and primary school	3.7	3.3
Lower secondary school	28.9	29.9
Vocational school	7.0	7.5
Upper secondary school and post- secondary training	32.7	39.5
College degree of equivalent	8.4	4.2
Master degree and post-graduate studies	13.0	10.4
Doctorate	0.2	0.2
Not indicated	6.1	5.0
Total	100.0	100.0

Source: Istat – Nonprofit register, Asia Active Business, Asia Employment

The analysis of the nature of employment shows that 80.8% of SEO staff has a permanent contract (compared to 85.1% in other private enterprises) and that 54.1% of employees work full-time, while in other private enterprises the percentage is notably higher (73.2%).

Among social economy employees, upper secondary school (32.7%) and lower secondary school (28.9%) diplomas are most widespread educational qualifications, in line with other private enterprises (respectively 39.5% and 29.9%). On the contrary, the difference in employment of graduate employees between the two is quite significant with 21.4% of SEO staff holding a tertiary education diploma, a first level degree, a first level academic diploma, a second level academic diploma, a master's degree or a doctorate compared to less than 15% in other private enterprises.

To conclude, SEOs feature a greater presence of women and of part-time contracts⁸ together with a higher level of education compared to other private enterprises.

5. Social economy sectoral specialization

Even though SEOs operate in all economic fields⁹, their activities are mainly concentrated in the arts, sports and entertainment sector (37.0%) and in other services (35.0%)¹⁰ (Table 4).

Table 4 – Number and value added of SEOs by economic sector - Year 2015 (absolute and percentage values)

Economic sector	SEOs		Value added	
	Number	%	Thousands EUR	%
Manufacturing	4,977	1.3	3,232,971	6.6
Construction	8,796	2.3	1,084,297	2.2
Wholesale & retail	4,025	1.1	3,856,426	7.8
Transportation & storage	7,628	2.0	5,870,692	11.9
Services, accommodation and food service	2,866	0.8	1,006,363	2.0
Information & communication	2,630	0.7	373,092	0.8
Financial and Insurance	1,079	0.3	3,691,484	7.5
Professional activity	4,731	1.2	638,607	1.3
Rental services, travel agencies, business support services	8,638	2.3	4,577,110	9.3
Education	15,612	4.1	3,530,273	7.2
Health & social assistance	42,768	11.3	12,692,215	25.9
Arts, sports & entertainment	140,569	37.0	2,624,157	5.3
Other service activities	132,746	35.0	5,381,915	11.0
Other sectors	2,111	0.6	574,350	1.2
Total (a)	379,176	100.0	49,133,952	100.0

Source: Istat – Asia Active Business, Permanent Census of non-profit institutions, Frame SBS

⁸ This might be due to the different sectoral specialization of SEOs.

⁹ The value added generated by the agricultural sector is excluded from this analysis. Additionally, the value added generated by cooperative credit banks is not included in the financial and insurance sector.

¹⁰ The “other service activities” sector mainly comprises trade union, religious, political, human rights protection, environmental safeguard, international solidarity, philanthropic and recreational activities.

(a) Any differences between the sum values and the relative total are exclusively due to the rounding off in decimals. Although it ranks third in the number of organizations that belong to it (11.3%), the health and social assistance sector is by far the most relevant from an economic point of view. In this sector, SEOs generate 12.7 billion EUR in value added (25.9% of the total). The transport and storage sector ranks second (5.9 billion, 11.9% of the total), followed by other service activities (5.4 billion, 11.0%) and by business support services (4.6 billion, 9, 3%). Together, these four sectors make up more than half of the value added generated by social economy as a whole (58.1%). On the other side, we find the Arts, sports and entertainment sector, in which a large number of organizations fall (37.0%), but that weighs much less in terms of value added (5.3%).

Even on the employment front, the healthcare and social assistance sector ranks first, with more than 445,000 employees (29.3%). At a notable distance, support services for businesses ranks second with close to 224,000 employees (14.6%) and the transport and storage sector is third with more than 200,000 employees (13.6%) (Table 5). Together, the three sectors account for 57.5% of the total number of employees in social economy organizations. The other services sector generates a notable value added, employs fewer than 100,000 persons but can count on almost 42% of the total number of volunteers who are active in social economy organizations.

Table 5 – Number of employees and volunteers in SEOs by economic sector - Year 2015 (absolute and percentage values)

Economic sector	Employees		Volunteers	
	Total	%	Total	%
Manufacturing	69,935	4.6	-	-
Construction	33,933	2.2	4	-
Wholesale & retail	89,790	5.9	-	-
Transportation & storage	205,952	13.6	-	-
Services, accommodation and food service	43,706	2.9	453	0.0
Information & communication	11,980	0.8	1,637	0.0
Financial and Insurance	93,712	6.2	741	0.0
Professional activity	24,457	1.6	51,674	0.9
Rental services, travel agencies, business support services	223,711	14.6	38	-
Education	122,842	8.1	166,944	3.0
Health & social assistance	445,070	29.3	1,262,502	23.0
Arts, sports & entertainment	40,432	2.7	1,676,182	30.6
Other service activities	98,815	6.5	2,322,710	42.5
Other sectors	14,684	1.0	2,092	0.0
Total (a)	1,519,019	100.0	5,484,977	100.0

Source: Istat – Asia Business, Permanent Census of non-profit institutions, Asia Employment SBS

(a) Any differences between the sum values and the relative total are exclusively due to the rounding off in decimals

Setting aside cooperatives, almost all other social economy organizations (98.8%) operate in four sectors: other services; art, sports and entertainment; education; health and social assistance; generating over 81% of the produced value added. The sectoral specialization highlights the general interest nature of their activities and operations.

Differently, cooperatives are present across the board in different sectors, albeit with a greater representation in construction (8,794); business support services (8,587); health and social assistance (8,280); and transportation and storage (7,628). In cooperatives, the sectors generating the largest value added are those of health and social assistance (6.3 billion EUR); transport (5.9 billion EUR); business support services (4.6 billion EUR); wholesale and retail (3.9 billion EUR); and manufacturing activities (3.2 billion EUR)¹¹.

Table 6 illustrates the weight of social economy on the entire private economy. Data shows that, from the standpoint of number of organizations, the sectors in which associative organizational forms have the greatest incidence are: art, sports and entertainment (48.1%); other service activities (39.3%); and education (17.1%).

Table 6 – Social economy weight on the number of organizations, value added and private company employees by economic sector - Year 2015 (percentage value)

Economic sector	SEOs	Value added	Employees
Manufacturing	0.1	1.5	1.9
Construction	0.7	2.3	2.6
Wholesale & retail	0.1	3.1	2.7
Transportation & storage	0.9	10.2	18.9
Services, accommodation and food service	0.2	3.4	3.3
Information & communication	0.5	0.8	2.2
Financial and insurance	0.2	-	16.3
Professional activity	0.4	1.2	2.0
Rental services, travel agencies, business support services	0.9	12.6	19.2
Education	17.1	65.9	61.8
Health & social assistance	7.3	35.9	45.1
Arts, sports & entertainment	48.1	25.3	21.0
Other service activities	39.3	41.5	18.9
Other sectors	0.8	1.0	2.5
Total	8.0	6.7	9.1

Source: Istat – Asia Active Business, Asia Employment Permanent Census of non-profit institutions, Frame SBS

¹¹ A significant share of the value added generated by manufacturing activities stems from the processing activities of agricultural cooperatives.

If we focus on value added and on employment figures, education is the sector where SOEs show the most important contribution to the private economy, representing over 65% of generated value added and accounting for over 60% of employees in the private education. The health and social assistance sector is second in ranking (35.9% value added, 45.1% employees); followed by other services (41.5% value added, 18.9% employees); and art, sports and entertainment (25.3% value added, 21.0% employees). A wide gap separates the top four from the remaining sectors¹²: business support services count for 12.6% of value added and 19.2% of employees followed by transport and storage (10.2% and 18.9% respectively).

6. Evolution of social economy organizations

Over the past few years, social economy has boomed, partially due to the negative economic fallout produced by the 2007-2009 financial crisis.

From 2011 to 2017, the number of SEOs grew from 346,873 to 394,968 (+ 14%) as did the number of employees, which increased by 8.8% (from 1.42 million to 1.55 million) (Table 7).

Table 7 – Number of organizations and of employees in social economy in Italy - Years 2011-2017

	2011	2015	2017
Organizations	346,873	379,176	394,968
Employees	1,421,580	1,493,830	1,545,972

Source: Istat – Asia Active Business, Asia Employment Permanent Census of non-profit institutions

In that same period, cooperatives were particularly affected by this increase registering an over 20% growth in the number of employees, which rose from about 957,000 to 1.15 million individuals (Table 8).

Table 8 – Number of organizations and of employees in cooperatives in Italy - Years 2011-2017

	2007	2011	2015	2017
Organizations	50,691	56,946	59,027	58,545
Employees	956,835	1,061,282	1,126,155	1,150,414

Source: Istat – Asia Active Business, Asia Employment

¹² The agricultural sector is not included in the analysis.

The Third Sector subset, that is social cooperatives and other nonprofit organizations, has also grown significantly. This sector embraces SEOs providing general interest services. Over the past two decades, the number of employees in Third Sector organizations has risen from 531,926 units in 1999 to almost 845,000 in 2017, an astounding 58.8% increase in terms of personnel and 70.6% growth in terms of number of organizations. This occurred particularly from 2011 to 2017 (Table 9).

Table 9 – Number of organizations, employees and volunteers in the Third Sector in Italy - Years 2007-2017

	1999	2011	2015	2017
Organizations	205,471	301,191	336,275	350,492
Employees	531,926	680,811	788,126	844,775
Volunteers	3,221,185	4,758,622	5,528,758	n.a.

Source: Istat – Permanent Census of non-profit institutions

This trend underscores the strategic function such organizations have in times of crisis in intercepting the new social needs that public institutions are unable to take on and face effectively. This concretely leads to an employment growth and to an increase in the number of activities. The number of volunteers employed in the Third Sector further confirms this trend with a 71.6% growth, which measured an increase from 3.2 million people in 1999 to 5.5 million in 2015 (last year available). This is particularly noteworthy when we consider the major challenges other private enterprises had to face given the hardest years of the economic crisis, which resulted in a significant decline in people employed. Indeed, between 2007 and 2015, other private enterprises cut their number of employees by more than 6%, a decrease that was only reabsorbed between 2016 and 2017 (Table 10).

Table 10 – Number of organizations and employees in other private enterprises in Italy - Years 2007-2017

	2007	2011	2015	2017
Organizations	4,503,407	4,465,366	4,353,501	4,403,074
Employees	10,984,821	10,735,843	10,288,528	11,055,109

Source: Istat – Asia Active Business, Asia Employment

Social economy has shown an upward trend even in more recent years, with the number of organizations growing from 379,176 in 2015 to 394,968 in 2017 (+4.2%), and the number of people employed increasing from 1.49 million to 1.55 million (+3.5%) (Table 11).

Table 11 – Number of organizations and employees in social economy and in the other private enterprises - Years 2015-2017 (absolute and percentage values)

	2015		2017		Delta (%)	
	Organizations	Employees	Organizations	Employees	Organizations	Employees
SEOs	379,176	1,493,830	394,968	1,545,972	4.2	3.5
- Cooperatives	59,027	1,126,159	58,545	1,150,414	-0.8	2.2
- Associations	286,942	146,537	299,669	164,518	4.4	12.3
- Foundations	6,451	87,878	7,503	99,846	16.3	13.6
- Others	26,756	133,256	29,251	131,194	9.3	-1.5
Other private enterprises	4,353,501	10,288,528	4,403,074	11,055,109	1.1	7.5

Source: Istat – Asia Active Business, Asia Employment Permanent Census of non-profit institutions

An analysis conducted according to the legal form, points to a reduction in the number of cooperatives (-0.8%), which, nevertheless, generates a 2.2% growth in the number of employees. This can be most likely explained by the process of mergers that in recent years has concerned cooperatives overall. In that same time range, the slower growth rate of social economy employees compared to that of other companies must be read vis-à-vis the huge growth SEOs experienced in the 2007-2015 period compared to employment contraction in the other private enterprises.

Between 2015 and 2017, the number of employees in foundations and in associations has decidedly increased above all other organizational forms of social economy, registering respectively a + 13.6% and a + 12.3% growth.

Conversely, the number of employees decreased by -1.5% in other legal forms of SEOs such as ecclesiastical entities, mutual aid societies, sports clubs, social enterprises and other private entities.

An analysis of the evolution of social economy by activity sector between 2015 and 2017 shows an increase in the number of organizations active in the fields of education (16.2%) and art, sports and entertainment (13.6%) in contrast to a significant decline of organizations operating in financial activities (-9.8%) and in other services (-5.4%) (Table 12).

Table 12 – SEOs and other private enterprises by economic sector - Year 2015-2017 (absolute and percentage values)

Economic sector	2017		Variation 2017/2015	
	SEOs	Others	SEOs	Others
Manufacturing	4,954	383,889	-0.5	-2.1
Construction	8,257	500,814	-6.1	-2.2
Wholesale & retail	4,226	1,109,292	5.0	-1.5
Transport & storage	7,369	116,584	-3.4	-1.2
Services, accommodation and food service	2,996	334,596	4.5	3.4
Information & communication	2,456	102,578	-6.6	4.3
Financial and Insurance	974	99,571	-9.8	3.1
Professional activity	4,947	752,658	4.6	4.7
Rental services, travel agencies, business support services	8,577	140,185	-0.7	4.3
Education	18,145	30,598	16.2	11.1
Health & social assistance	44,585	293,957	4.2	5.3
Arts, Sports & entertainment	159,699	66,192	13.6	8.5
Other service activities	125,199	210,657	-5.4	2.8
Other sectors	2,584	261,503	22.4	0.4
Total	394,968	4,403,074	4.3	1.1

Source: Istat – Asia Active Business, Asia Employment, Permanent Census of non-profit institutions

Table 13 – Number of employees in SEOs and in other private enterprises by economic sector - Year 2015-2017 (absolute value and percentage value)

	2017		Variation 2017/2015	
	SEOs	Others	SEOs	Others
Manufacturing	72,055	3,141,433	6.6	2.7
Construction	28,873	754,199	-9.4	0.7
Wholesale & retail	87,130	2,026,909	-0.3	7.9
Transport & Storage	211,324	806,106	3.8	6.4
Services, accommodation and food service	46,274	1,011,041	7.3	20.4
Information & communication	11,799	468,874	2.7	5.5
Financial and insurance	47,402	418,244	-47.8	9.8
Professional activity	24,542	494,126	3.8	8.2
Rental services, travel agencies, business support services	220,324	943,946	0.0	16.2
Education	125,090	49,289	2.5	15.5
Health & social assistance	497,284	288,583	13.0	10.7
Arts, sports & entertainment	50,631	93,826	27.0	16.5
Other service activities	103,575	210,119	5.8	10.7
Other sectors	19,669	348,416	40.4	3.8
Total	1,545,972	11,055,110	3.5	7.5

Source: Istat, Permanent Census of non-profit institutions, Asia Active Business, Asia Employment

In view of the large number of individuals who work in these sectors in SEOs, the increase in the number of employees in recreational activities (+27.0%) and health and social assistance (+13.0%) is quite noteworthy and in both cases the growth is higher than that recorded by other private enterprises (respectively +16.5% and +10.7%) (Table 13). On the contrary, in the sectors of education and of other services, the growth rate of SEO employees is significantly lower than that recorded in other private enterprises: +2.5% against +15.5% (education) and +5.8% versus +10.7% (other services).

Finally, the growth rate of employees of SEOs is lower than that of other private enterprises also in the sector of business support services, where +16.2% growth in other private enterprises is matched by a zero growth in employment among SEOs.

The negative trend of SEOs in the financial and insurance sector calls for a more detailed analysis given a -47.8% decrease compared to +9.8% growth enjoyed by other companies. In this case, the contraction is mainly due to the entry into force of Law 33/2015. This law established that cooperative banks with an equity exceeding 8 billion EUR must transform into joint-stock companies by July 2016. A number of cooperatives active in the financial and insurance sectors in 2015 thus, were forced to take on the legal form of joint-stock company and consequently the workers were displaced.

7. General interest services

Against the backdrop of the welfare state crisis, in most countries we have witnessed a "*no-profitization*" process of the social protection system (Salamon, 2015). The State has passed from directly supplying goods and services to its citizens to becoming a predominantly regulatory and financier entity that carries out its public function by collaborating with private actors (La Spina and Majone, 2000).

In Italy, as in other countries, the boundaries between public and private sector have shifted as a result of welfare reorganization. The restructuring was achieved by progressively *contracting-out* the provision of services and functions of general interest to private entities and in particular to SEOs. In this process, SEOs have played a pivotal role that has been accentuated further by the rescaling of policies on a local scale.

Moreover, social economy does not operate in a social vacuum, but it develops within specific social networks and structures, and is therefore *embedded*, or rooted, in defined cultural, cognitive, structural and political institutional orders (Zukin and Di Maggio, 1990).

Both the context and the institutional environment are thus key to analyse the diffusion, survival and organizational forms of social economy, but above all are essential to understand the role of SEOs. With this in mind, the pages that follow attempt to define

how social economy organizations contribute to citizens' well-being, understood in the broadest sense of the term. Furthermore, in light of the increasingly local nature of welfare policies, the analysis adopts a regional perspective.

7.1 Health

To grasp fully the impact of social economy on health care at a regional level, a parameter was built to indicate the relationship between the value added produced by SEOs operating in the health sector and the regional population (Table 14). The Italian regions where SEOs have the greatest weight are in the Center-North (Lazio, Lombardy, the autonomous province of Bolzano and Liguria), but also in some regions of the South (Molise and Puglia).

Table 14 – Per capita value added generated by healthcare SEOs by Region - Year 2015 (value in Euro)

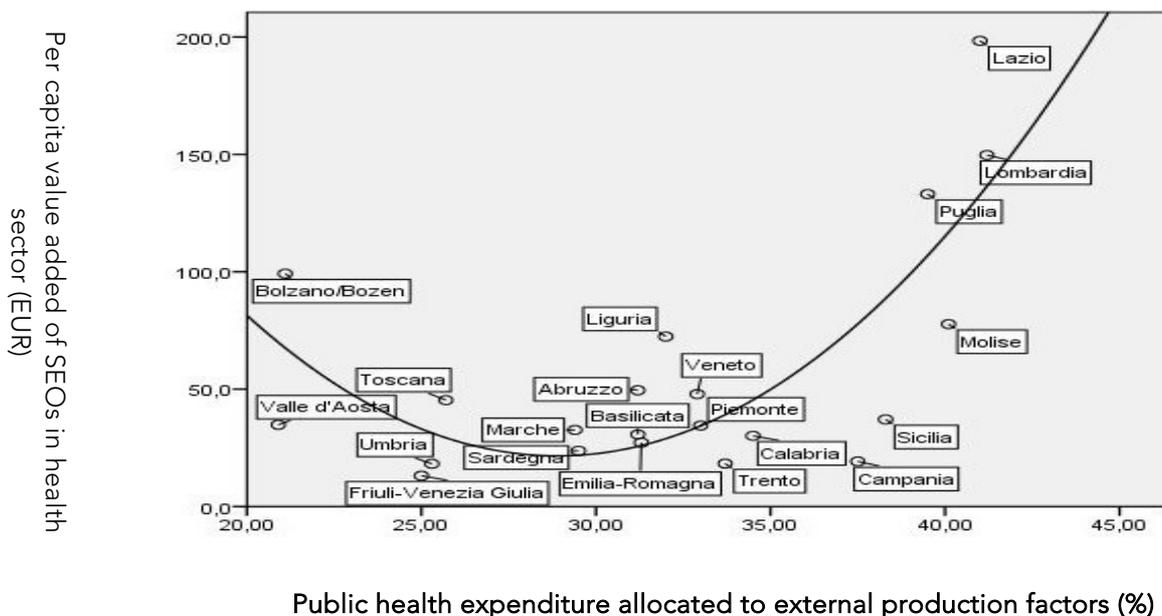
Regions	Per capita value added
Piedmont	34.5
Valle d'Aosta	34.8
Liguria	72.4
Lombardy	149.7
Trentino Alto Adige/Südtirol	58.0
<i>Bolzano/Bozen</i>	<i>99.2</i>
<i>Trento</i>	<i>18.3</i>
Veneto	47.9
Friuli-Venezia Giulia	13.1
Emilia-Romagna	27.2
Tuscany	45.3
Umbria	18.2
Marche	32.6
Lazio	198.4
Abruzzo	49.5
Molise	77.7
Campania	19.2
Puglia	133.1
Basilicata	30.7
Calabria	30.1
Sicily	37.1
Sardinia	23.7

Source: Istat, *Permanent Census of non-profit institutions, Frame SBS*

Figure 1 illustrates, besides the per capita value added of SEOs in healthcare (Y axis), the share of public health expenditure allocated to finance external production factors (X axis). The graph shows that Lazio, Lombardy, Molise, Puglia are the Italian regions which outsource the most in stark contrast to Valle d'Aosta, the autonomous province of Bolzano, Friuli-Venezia Giulia, Umbria and Tuscany. Except in the case of the autonomous province of Bolzano, the relationship between the two indicators is quite marked, that is to say that as the share of health expenditure destined to external factors increases, the value added generated by SEOs in health care also rises.

As shown by the Figure 1, the weight of social economy in healthcare varies by region and creates different public/private combinations in how health care is supplied. To analyse local health systems, the regions can be grouped into three clusters determined by the economic weight of SEOs and using as parameters two levels of per capita value added: 40 EUR and 100 EUR (Table 15). Regions with a per capita value added of SEOs in healthcare below 40 EUR are gathered in Group 1 (Friuli-Venezia Giulia, Umbria, the autonomous province of Trento, Campania, Sardinia, Emilia-Romagna, Calabria, Basilicata, Marche, Piedmont, Valle d'Aosta and Sicily). Group 2 aggregates regions with a per capita value added between 40 and 100 EUR (Tuscany, Veneto, Abruzzo, Liguria, Molise and the autonomous province of Bolzano). Finally, Group 3 is composed of the regions with a per capita value added above 100 EUR (Puglia, Lombardy and Lazio).

Figure 1 – Public health expenditure allocated to external production factors and per capita value added generated by SEOs in healthcare by Region – Year 2015 (value in EUR)



Source: Cergas; Italian Ministry of Health; Permanent Census of non-profit institutions, Frame SBS

Table 15 – Main economic and financial characteristics according to regional healthcare system by Region Group – Year 2015 (median value in EUR and in percentage)

	Public healthcare expenditure per capita	Private healthcare expenditure per capita	Public healthcare expenditure by internal factor (%)	Healthcare SEO per capita value added	Healthcare other private enterprises per capita value added	Employees in public sector (%)	Employees in other private enterprises (%)	Employees in SEOs (%)
Group 1	1,853	568	68.8	28.7	303.9	62.0	34.4	3.3
Group 2	1,972	626	68.4	60.9	325.6	59.0	35.0	6.9
Group 3	1,855	566	59.0	149.7	430.9	42.9	41.2	15.1

Source: own processing of Cergas data; Italian Ministry of Health; Istat

The regions of Group 1 – characterized by the low weight of social economy in terms of employees in the health sector (3.3%)—exhibit a further peculiarity: the central role of the public sector that is confirmed both by the limited engagement of private enterprises (31.2% of public health expenditure) and by its notable relevance on sectoral employment (62.0% of total employees). Group 2—that is regions with a per capita value added between 40 and 100 EUR—also features the central role of the public sector and the limited presence of the private sector, but in contrast to Group 1, it doubles the weight of SEOs in terms of value added and share of health sector employees. Finally, Group 3 shows a more balanced public-private ratio in the network supplying healthcare services: the public health expenditure allocated to private organizations (outsourcing) exceed 40% and SEOs together with other enterprises (the private sector) show a significant employment weight in health service provision (Table 15).

Table 16 – Output & performance indicators in the regional healthcare system by Region Group – Year 2015 (median value)

	Beds for ordinary hospitalization per 1.000 inhabitants	Integrated homecare 100.000 inhabitants	Ordinary hospital discharge per 1.000 inhabitants	BES composite index health	LEA grid	Performance index	Life expectancy in good health	Very satisfied with medical care during hospitalization
Group 1	3.2	1,191.9	111.7	101.2	170.6	1.0	58.2	38.5
Group 2	3.5	1,921.6	117.9	110.6	189.2	1.0	60.6	45.0
Group 3	3.3	1,196.0	113.9	104.4	175.7	1.1	58.0	33.3

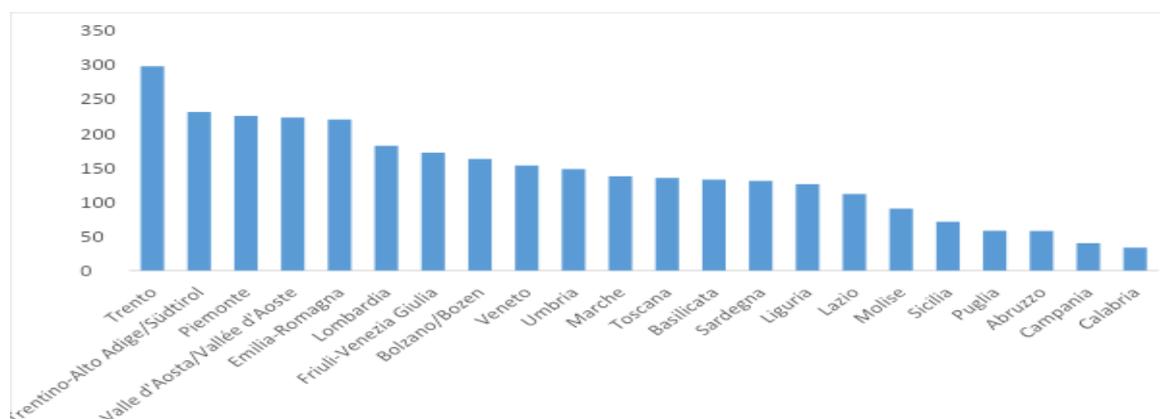
Source: own processing of Cergas data; Italian Ministry of Health; Istat

The three groups of regions can also be analysed using indicators linked to organizational performance or to the quality of services (Table 16). Some parameters are typical quantitative output and include number of beds available for ordinary hospitalization per 1,000 inhabitants, integrated home care per 100,000 inhabitants, ordinary hospital discharge per 1,000 inhabitants and the BES composite index of the health sector. Other parameters, instead, measure performance (LEA grid of the Italian Ministry of Health and CREA Sanità university consortium performance index) or the individuals' subjective perception of the state of good health and of the quality of health services received (life expectancy in good health, level of satisfaction with medical care received during hospitalization). Leaving aside cases in which values are constant in all three groups, one can describe the regional health systems based on the parameters listed above and can analyse the combination of public-private sector service supply, whilst taking into account the quality of the services supplied.

7.2 Social care

SEO relevance in regional contexts seems to follow different dynamics in the social care sector in comparison to those observed in health care. Over the past 20 years, on the whole, the social assistance sector has undergone significant growth in Italy. That said, according to the social security expenditure (Istat, 2020), social care accounts for 11% of the expenditure; half of what is spent on health care (22.7%) and a fraction of what is set aside for social security (66.3%). This confirms that in Italy social policies favour the distribution of monetary transfers to beneficiaries over the offering of services, in which the private actor play a central role.

Figure 2 – Per capita value added generated by social care SEOs by Region - Year 2015 (value in Euro)

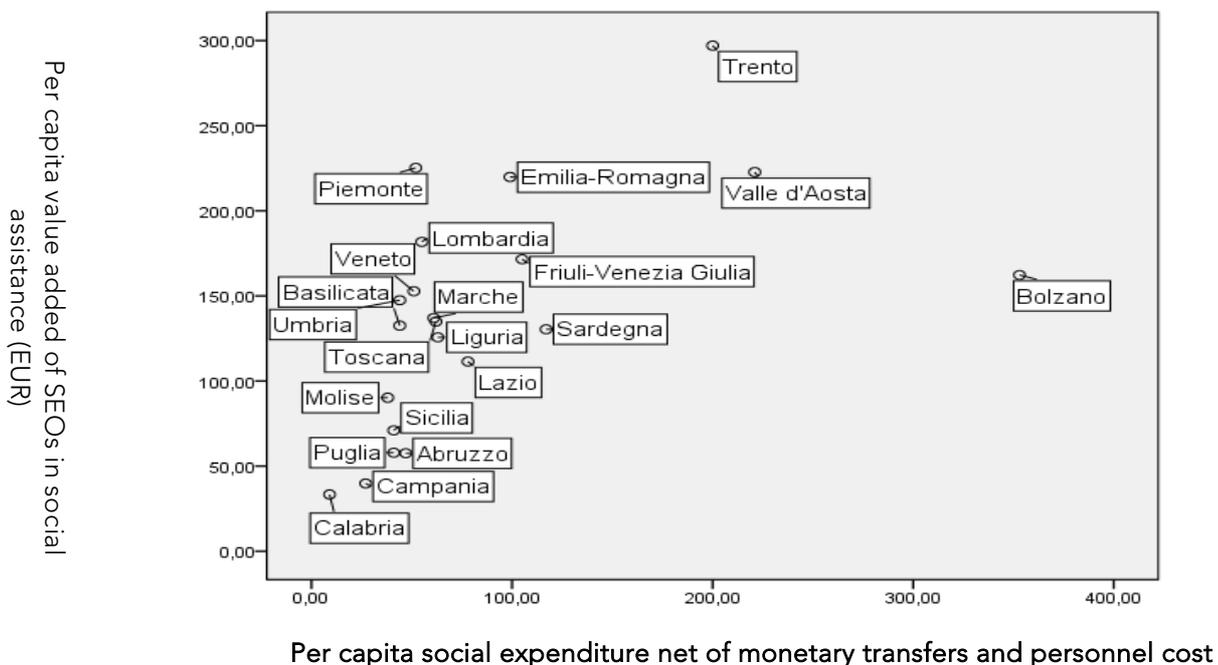


Source: Istat, Frame SBS; Permanent Census of non-profit institutions

If we consider the per capita value added produced by SEOs operating in social care, the differences between regions are remarkable as seen in Figure 2. The autonomous province of Trento and the regions of Piedmont, Valle d'Aosta and Emilia-Romagna record the highest amount, while Calabria, Campania, Abruzzo, Puglia and Sicily produce the lowest.

An even greater differentiation emerges from a territorial point of view when we define a *proxy* of social expenditure aimed at purchasing from private sector¹³ (Figure 3). This amount ranges from over 350 EUR per in the autonomous province of Bolzano to about 9 EUR in Calabria. The per capita value added of SEOs in the social assistance sector is also somewhat correlated with this variable. The correlation coefficient between the previous proxy the per capita value added of SOEs is equal to 0.74 if we exclude the province of Bolzano, which has an anomalous value (including the province of Bolzano, the coefficient decreases to 0.59). Regions with low levels of social expenditure and of SEO economic relevance are positioned in the lower left-hand corner of Figure 3 (Calabria, Campania, Puglia and Abruzzo), whereas we find the autonomous province of Trento and the regions of Valle d'Aosta, Emilia-Romagna and Piedmont in the higher right-hand side of the graph given the highest levels of both indicators.

Figure 3 – Per capita value added of SEOs in the social care sector and per capita municipal social expenditure net of monetary transfers and personnel cost by Region – Year 2015 (value in EUR)



Source: Cergas; Italian Ministry of Health; Frame SBS; Permanent Census of nonprofit institutions

¹³ This amount is obtained by subtracting monetary transfers paid directly to beneficiaries (e.g., family allowances) and personnel cost from the municipal social expenditure.



One can attempt to identify the differences between the different local welfare systems by analysing the economic weight of social economy in the social assistance sector. As previously done for impact in healthcare, we identified two threshold values of the per capita value added produced by social care SEOs to classify the regions: 100 EUR and 200 EUR.

Group 1 aggregates regions with a per capita value added of SEOs in the social assistance sector above 200 EUR (Emilia-Romagna, Valle d'Aosta, Piedmont and the autonomous province of Trento). Group 2 gathers regions with a per capita value between 100 and 200 EUR (Lazio, Liguria, Sardinia, Basilicata, Tuscany, Marche, Umbria, Veneto, Friuli-Venezia Giulia, Lombardy and autonomous province of Bolzano). Finally, Group 3 is made up of regions with a per capita value added below 100 EUR (Calabria, Campania, Abruzzo, Puglia, Sicily and Molise). The impact of social economy is also linked to other variables characterizing the extent and the structure of local welfare models, in particular the such as the degree of coverage, the local welfare model structure, the levels of expenditure, the involvement of public sector and the role of other organizations (Table 17). The correlation is clear as we move from Group 1—where social economy is more rooted and where the per capita value added of SEOs is 225.2 EUR—towards Group 3 where the amount disbursed is 57.7 EUR and where SEOs are less relevant. In this last case, the municipal social expenditure per capita also decreases as do the number of public employees working in the social care sector, in addition, of course, to those working for SEOs. On the contrary, the per capita value added and employment levels of other private enterprises increase.

If in Group 1, the per capita municipal social expenditure is 247 EUR and the number of public employees working in social care is 28 employees per 10,000 inhabitants; in Group 3, the values drop to 61.5 EUR and 4 employees respectively. In Group 2 and in Group 3, the impact of other private enterprises is greater with per capita value added of about 14 EUR and 5.5 employees per 10,000 inhabitants. In Group 3, however, the importance of the private actor is far more relevant because of the limited local supply of welfare services and the low contribution of public sector and of SEOs. By way of example, employees of other private enterprises make up about 5% of the total number of workers in the social assistance sector in Groups 1 and 2; in contrast, in Group 3, this share reaches more than 16%.

Table 17 – Main financial features of local welfare in the social care sector by Region Group – Year 2015 (median value)

	Per capita municipal social expenditure	Share of monetary transfer on municipal social expenditure	Monetary contribution of households in the municipal social expenditure	SEO per capita value added	Other enterprise per capita value added	Public employees per 10.000 inhabitants	SEO employees per 10.000 inhabitants	Other enterprise employees per 10.000 inhabitants
Group 1	247.0	17.7	41.0	225.2	8.8	28	86	1
Group 2	127.0	27.5	17.0	137.0	14.6	13	61	6
Group 3	61.5	17.0	1.5	57.7	14.0	4	29	5

Source: Social care expenditure in municipalities, Frame SBS; Permanent Census of non-profit institutions, Permanent Census of public- institutions

Table 18 illustrates the types of services supplied in terms of output in regions grouped according to the relevance of social economy and, more generally, according to the public-private structure of social policies. As one can see, there is a notable gap in the provision of some social services depending on the local welfare system. One example is the extent of residential social assistance for the elderly: in Group 1 regions, there are 10 beds per 1,000 inhabitants whereas in Group 3 regions the number decreases to 3.7. Significant differences are notable in the supply of childcare services: 24.4% of children benefited from the service in Group 1 regions, versus 15.2% in Group 2 and only 4.9% in Group 3.

Table 18 – Output indicators according to local welfare system by Region Group – Year 2015 (median value)

	Infants 0-2 years benefiting from childcare services	Elderly benefitting from home social assistance	Social assistance interventions for individuals with disabilities per 1,000 inhabitants	Residential social assistance – beds per 1,000 inhabitants
Group 1	24.4	2.1	10.6	10.6
Group 2	15.2	1.1	10.8	7.8
Group 3	4.9	0.9	8.0	3.7

Fonte: Own processing of Istat data, Rapporto BES

7.3 Education

Education is the third sector in which social economy plays a pivotal role. This field is undoubtedly strategic for the growth of human capital and its contribution in making each territory more competitive.

In Italy, the private supply in the education sector is mainly ensured by SEOs, as detailed in Table 19. On a national scale, SEOs contribute close to 87% of the value added generated by private enterprises. In the regions of Valle d'Aosta, Friuli-Venezia Giulia, Veneto, and in the autonomous provinces of Bolzano and of Trento, this percentage is close to 100%. Although still prevalent, the weight of social economy on the private sector is less relevant in Umbria (58.0%), Campania (62.6%), Tuscany (74.5%) and Sardinia (78.4%).

Table 19 – Value added generated by SEOs in education by region - Year 2015 (value in percentage and in EUR)

Region	% of SEOs on private economy value added	SEO per capita value added
Piedmont	87.7	51.8
Valle d'Aosta	99.5	84.4
Lombardy	86.6	108.8
Bolzano-Bozen	97.5	71.3
Trento	97.3	237.4
Veneto	95.8	77.7
Friuli-Venezia G.	96.4	73.7
Liguria	91.5	46.2
Emilia-Romagna	89.3	50.7
Tuscany	74.5	25.3
Umbria	58.0	22.5
Marche	90.7	12.7
Lazio	88.3	111.4
Abruzzo	87.8	23.4
Molise	83.7	11.8
Campania	62.6	22.0
Puglia	85.6	18.9
Basilicata	84.2	10.6
Calabria	82.4	12.6
Sicily	84.9	30.8
Sardinia	78.4	27.3

Source: Istat, Permanent Census of non-profit institutions; Frame SBS

By grouping the regions based on the weight of the per capita value added generated by SEOs in the education sector, three groups emerge. Group 1 features a per capita value added above 70 EUR and includes the province of Trento, the province of Bolzano and the regions of Lazio, Lombardy, Valle d'Aosta, Veneto and Friuli-Venezia Giulia. The

Group 2 gathers regions with a per capita value added ranging 20 and 70 EUR: Piedmont, Emilia-Romagna, Liguria, Sicily, Sardinia, Tuscany, Abruzzo, Umbria and Campania. Group 3 is characterized by an extremely low per capita value added of SOEs—below 20 EUR—and includes the regions of Puglia, Marche, Calabria, Molise and Basilicata.

These figures show how the weight of private education increases as the per capita value added produced by SEOs grows. In group 1, 9.2% of students are enrolled in private schools versus 7.0% in the second and only 3.3% in the third group (Table 20). This, in turn, determines the different impact of social economy on education as a whole, both public and private: in the first group, its incidence on sectoral value added is 8.5% and falls to 2.6% and 1.1% in the second and third groups respectively.

Given how differently the education system is structured on a territorial level, it is important to associate the data above with indicators that can help measure output and performance in the three regional groups.

The analysis of public expenditure by student shows no notable differences between the groups of regions, notwithstanding a slight gap between Group 1 (6,551 EUR) and regions in Group 3 (6,895 Euro). Similarly, the rate of kindergarten attendance is similar in all three regional groups with a percentage that exceeds 90%.

In contrast, there are significantly marked differences between Group 1 and Group 3 regarding both the rate of young NEETs—an incidence respectively of 18.5% and 28.7%—and the access to ongoing professional development and training.

Table 20 – Per capita value added generated by SEOs and by other private enterprises in education. Main quality indicators in education by Region Group - Year 2015 (median value in EUR and in percentage)

	SEOs per capita value added	Other private enterprises per capita value added	SEO on education value added (%)	Students in private schools (%)	Public expenditure for education /students in public schools	NEET (%)	School drop-out rate (%)	Ongoing training attendance (%)	Kindergarten attendance (%)
Group 1	84.4	3.4	8.5	9.2	6,551	18.5	11.3	8.2	94.5
Group 2	27.3	7.2	2.6	7.0	6,662	20.5	13.4	7.3	93.2
Group 3	12.6	2.3	1.1	3.3	6,895	28.7	10.3	6.0	92.9

Source: Istat, Permanent Census of non-profit institutions, BES; Frame SBS

7.4 Culture, sports and recreation

As previously stated, the fourth sector that benefits in a significant way from social economy is the cultural, sports and recreational one. The general interest nature of these activities call for an in depth analysis of the different entrepreneurial and organizational forms which make up this sector with a particular focus on validating the existence of a link between them and the quality of life of the people and of the communities they are geared at.

The study of the ownership structure of these organizations shows that private enterprises generate over 50% of the value added of the cultural, sporting and recreational activities in eight Italian regions and in the province of Bolzano (Table 21). Apart from Sardinia, the eight regions are distributed in Northern Italy (Liguria, Piedmont, Emilia-Romagna and Veneto) and in the Center (Marche, Tuscany and Umbria). In contrast, the incidence of the private sector on culture, sports and entertainment activities is around 30% in the South (with the exclusion of Sardinia).

As we have done previously, it is possible to group the regions based on the per capita value added generated by the SEOs operating in the culture, sports and entertainment sector. Group 1 collects regions where this value is above 70 EUR and in which the amount generated by SEOs is in line with that of other private enterprises and the share of private sector (SEOs and other private enterprises) is prevalent: the autonomous province of Bolzano, Valle d'Aosta, Marche, Veneto and Tuscany. Regions in Group 2 have a SEO per capita value added between 30 and 70 EUR, in line with the value of the other private enterprises but, in this case, with a weight of the private sector similar to that of public sector: autonomous province of Trento, Friuli-Venezia Giulia, Umbria, Emilia-Romagna, Lazio, Sardinia, Lombardy, Piedmont and Liguria. Group 3 is composed of regions with SEO per capita value added below 30 EUR, similar to that of other private enterprises, with the public sector playing the main role (almost 70.0%): Abruzzo, Puglia, Molise, Basilicata, Campania, Sicily and Calabria.

These groups can be combined with indicators measuring the role and use of cultural, sporting and recreational services at a local level to extrapolate the consequences in terms of enhancing social well-being (Table 22).

The relevance of the cultural, sports and recreational sector in the three groups is illustrated by the amount spent on these activities by the users in relation to their overall expenditure. Regions in the second group show a 7.8% incidence, compared to 7.1% in Group 1 and 6.3% in Group 3. At the same time, in terms of number of employees, the relevance of the culture, sports and entertainment sector on the total economy is

substantially aligned in Groups 1 and 2 (3.5% and 3.8% respectively), whereas in regions of Group 3 only 2,6% of workers are employed in the field.

Table 21 – Per capita value added generated by SEOs in culture, sports & entertainment by region - Year 2015 (value in percentage)

Regions	Private enterprise per capita value added	SEO per capita value added
Piedmont	57.4	45.5
Valle d'Aosta	27.3	119.4
Lombardy	47.3	45.6
Bolzano-Bozen	73.1	100.6
Trento	37.9	55.5
Veneto	74.8	73.1
Friuli-Venezia G.	48.4	57.2
Liguria	54.4	44.2
Emilia-Romagna	59.0	51.5
Tuscany	54.5	72.3
Umbria	51.5	55.0
Marche	66.8	87.2
Lazio	28.7	49.8
Abruzzo	34.1	29.3
Molise	25.7	16.9
Campania	37.4	15.8
Puglia	31.3	17.3
Basilicata	28.9	16.6
Calabria	28.8	9.7
Sicily	29.9	14.6
Sardinia	60.6	47.9

Source: Istat, Permanent Census of non-profit institutions; Frame SBS

Qualitative indicators —such as the rate of participation in cultural events, satisfaction with how free time is spent and the practice of sports among the population—also show that Groups 1 and 2 are substantially aligned and have much higher values than Group 3, particularly with reference to the rates of cultural participation and sporting activity.

Table 22 - Per capita value added generated by SEOs and by other private enterprises plus main quality indicators in in the culture, sports and entertainment sector by Region Group -

	SEO per capit a value adde d	Other private enterpri ses per capita value added	% private econo my on sectoria l value added	% SEOs on sectori al value added	Participa tion in cultural activities (%)	Satisfac tion with free time activitie s (%)	Employ ees in cultural & creative busines ses on overall econo my (%)	Inciden ce of cultural expend iture on final consum ption (%)	Individu als practici ng sports (%)	Particip ation in cultural events (%)
Group 1	87.2	87.9	66.8	29.4	30.0	69.7	3.5	7.1	39.0	30.0
Group 2	49.8	87.4	51.5	19.0	31.7	68.5	3.8	7.8	36.3	31.7
Group 3	16.6	24.1	29.9	12.0	18.1	63.1	2.6	6.3	26.7	18.1

Year 2015 (median value in EUR and in percentage)

Source: Istat, Permanent Census of non-profit institutions, BES; Frame SBS

8. Conclusions

The current study presents for the first time a precise picture of the economic impact and employment contribution of the social economy in Italy based on official statistical data. Despite Italy being one of the countries where SEOs have enjoyed a particularly notable development over the years, previously no precise reconstruction of the dimensions and characteristics of this phenomenon was available. Attempts had been made in the past, which, depending on the case, tried to explain, either the presence of cooperative enterprises or account for the diffusion of Third Sector organizations, while always keeping the two subsets separate.

The present study provides a unified picture of these two components of social economy with the goal of fostering a greater understanding of their relevance and role. The importance of these organizational forms is rapidly increasing, especially given the community's growing interest in their contribution to building a more sustainable, equitable and inclusive development model.

The most important aspect emphasized by the data is how pervasive social economy organizations have become in all sectors of the Italian economic system and how significant the contributions of SEOs are in agricultural-food chain, in labour-intensive activities and in general interest services. The role of SEOs is particularly critical in this



last case, as they provide welfare services through social cooperatives and other entities like associations and foundations. A feature that previously was not fully understood because the two components were assessed separately and independently.

Such evidence confirms the importance to collect and update structured data on social economy in order to adequately support policy makers in the decision-making process. Furthermore, opportune and timely information ensures support in the expansion of social economy itself, a sector now considered a pillar of future social and economic policies.

In the future, it will be necessary to create a satellite account on social economy organizations that will enable us to periodically and systematically quantify the directly, indirectly and induced economic and employment resources activated in the Italian economic system (input/output analysis).

This paper represents only a first step and will, hopefully, encourage further reflection and the carrying out of these actions.

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