

GDP exclusivity has to change, says Global expert

The Social and Solidarity Economy

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While GDP is an internationally accepted indicator of economic progress of countries, GDP exclusivity has, over time, led to a sidelining of important social aspects of development, says Natalie Laechelt, Policy Analyst, & Social Economy Expert at the Organization for Economic Cooperation and Development (OECD), Paris. Natalie was speaking at the 'ISED International Day of Small and Medium Enterprises', organized by the Institute of Small Enterprises and Development (ISED). The Institute also released the Silver Jubilee edition of its Development Repor Series, 'India MSME Report 2022, with its focal theme, 'Enterprise Security & the Social and Solidarity Economy'.

While development debates, from time to time, have tried to understand the qualitative aspects of economic growth, and have produced ideas of 'Inclusive Development', the way wealth is created and distributed still remains an enigma. According to the ILO, the recent global economic and political instability has served to underline the shortcomings of our current development system and further confirm the necessity for an alternate or complementary development paradigm. The Social and Solidarity Economy (SSE), hence, is offered as a viable solution to re-balancing economic, social and environmental objectives.

Learning from grass root level experience is critical for understanding the scope of the new paradigm. Such grass root level experiences are significantly present in many countries and in

many forms, though a structured framework for analyzing and understanding them is still wanting. The gap is being filled under the rubric 'Social and Solidarity Economy'.

Different forms of economic factors are participants of the Social and Solidarity Economy. In India for instance, there are eight fifty thousand cooperatives with 290 million members, SEWA has 1.5 million self-employed workers across 16 States. India has been considered as a country with a huge presence of Social and Solidarity Enterprises, with around 2 million such enterprises and among the group of 20 countries having significant presence of social entrepreneurs. India is a Member of the OECD Development Centre.

Following the massive global disruption on account of the Pandemic, the Social and Solidarity Economy has emerged as an alternative operational platform for global development. The International Labour Organization, through the International Labour Conference held during the first week of June this year, has come out with a global definition and policy framework for this vital global constituency. The OECD Global Action Plan has proposed to promote the Social and Solidarity Economy globally as a viable model for inclusion and sustainability, with an action strategy spread over five key strategic areas.