


2020 Report

# Solidarity Economy Structures

Assessing the ecosystem, role, needs,  
and potential of cooperatives in Lebanon





The project is based on data collected by Daleel Tadamon; an initiative which aims to map, facilitate, support, and spread bottom-up economic and solidarity projects. The overall aim of the project is to raise awareness on economic solidarity and its roles in building a democratic economy.



# About the project



Data collection entailed categorizing and organizing collected data of active cooperatives and extrapolating findings pertaining to agricultural, food production, consumers, and housing cooperatives in Lebanon, as well as productive small and medium enterprises (SMEs).

However, most of the identified cooperatives were either inactive or have been recently dissolved. Therefore, we resorted to crowdsourcing in order to compile accurate data related to cooperatives and categorize the latter by nature, area, and activity.

In addition, the data collection process entailed conducting computer-assisted telephone interviews (CATI) with members of active cooperatives, and a representative sample of productive small and medium economic structures.

In line with the above, this project's findings will be the foundation of 'The Economic Democracy' website. This website is one of the core strategic projects of 2021, that our team is working on delivering.

The final outcome will be a real-time data collection digital platform called TheDemocraticEconomy.com. This platform will visualize the outcomes of the research, and will be open to the public to edit the records accordingly. It will cater for two main target audiences.

The first target audience are those who want to edit the data, and the second are those who want to retrieve such information. Additionally, information will be visually presented on an interactive map (The map of Lebanon).

We will be using existing social media platforms to create digital content that raises awareness around solidarity economy and economic democracy, while grounding it in the Lebanese context.

We will be highlighting its importance in both reshaping and restructuring the prevailing economic model in Lebanon.

# Summary of Project Stages →

1

## Data Collection

→ Desk review to categorize cooperatives

→ Questionnaire and CATI (the cooperatives' ecosystem, role, needs, potential, regions that are involved in the work). Data collection also involved productive MSMEs mainly for benchmarking purposes.

2

## Data Analysis

→ Identification of challenges and solutions

→ Insights around people working on solidarity economic structures based on real socio-economic interests

3

## Reporting

→ Compilation of suggestions, recommendations, and interventions on how to organize regions and economic structures to contribute to a democratic and sustainable economy.

# Definition of Key words →

## → Solidarity Economy

Solidarity economy, or sometimes Social and Solidarity Economy (SSE), is a term used for various economic activities which aim for social impact and profitability rather than financial profitability which rules business. Solidarity Economy structures or entities are different from private and public enterprises, thus it is sometimes described as the third sector.

The main features that distinguish solidarity economy structures are the way decisions are taken, the concept of collective ownership, and the participatory and democratic governance methods. One form of solidarity economy structures are cooperatives.

## → Economic Democracy

Economic democracy is a philosophy in economy which stands as a response to the conventional economic stand points that are considered to be designed by the top-class to serve the interests of the top-class of the economic pyramid.

Thus, the process of democratization of the economy is the process of moving the power over economic decisions from corporate managers and major shareholders to a broader share of the public including customers, suppliers, and workers as well as the society as a whole.

Yet, there is no single definition of economic democracy nor a single perspective which totally covers the various aspects which this concept has the potential to encompass.

The Bronx Cooperative defines Economic Democracy as “a system where people share ownership over the resources in their communities and participate equally in deciding how they are used”, as well as the democratization of the control over economic resources and assets, that is

## → Cooperatives

Cooperatives are solidarity economy enterprises, which are structures that are totally owned, governed, and run by its members.

Cooperatives aim to satisfy the common economic, social, and cultural needs and aspirations of the community, and to bring people together to work in democracy and egalitarianism.

There are various types of cooperatives deriving from various economic activities and the needs of the society: Production cooperatives, workers cooperatives, housing cooperatives, financial cooperatives, consumer cooperatives, product processing cooperatives, and social cooperatives.

expanding the concept of democracy from the domain of politics to matters related to our daily lives.

Thus, economic democracy is a process which necessarily leads to a change in relationships of power in the society and not just limited to participation.

## → MSMEs

MSMEs are micro, small, and medium-sized enterprises. MSME's are simply businesses which are operated by a certain number of personnel which is below specific limits. International organizations (World Bank, EU, UN, WTO, etc...) usually use the abbreviation SMEs which refers to small and medium-sized enterprises.

The term micro enterprise is used to offer further categorization since micro enterprises usually have below 10 or even below 5 staff members.



# Introduction

Daleel Tadamon reached out to active COOPs and medium, small and microenterprises (MSMEs) from different sectors to identify the major challenges and barriers that they are facing during the crisis.

Our team mapped possible business enterprises and cooperatives to be studied, and chose a sample of 200 economic projects (100 Cooperatives and 100 MSMEs) from different sectors distributed across all Lebanese districts and governorates.

We developed a questionnaire that alluded to the common major problems and challenges encountered by these enterprises and cooperatives, including the current crises such as Covid-19, instability of dollar rate, absence of governmental regulations and other issues.

The report is composed of 3 sections

**The first section** → is a description of the sample that we surveyed and it highlights the regional distribution and locations, market range, number of employees, legal form, business plan and the service that a facility provides.

**The second section** → depicts a comparative approach concerning the challenges and constraints encountered by both business models and how these entities deal with difficulties and problems.

**The third section (conclusion)** → conveys an interpretation and analysis of the data to highlight impact, differences between the two types, the pros and cons, and the entity that is the most affected.

# SECTION ONE



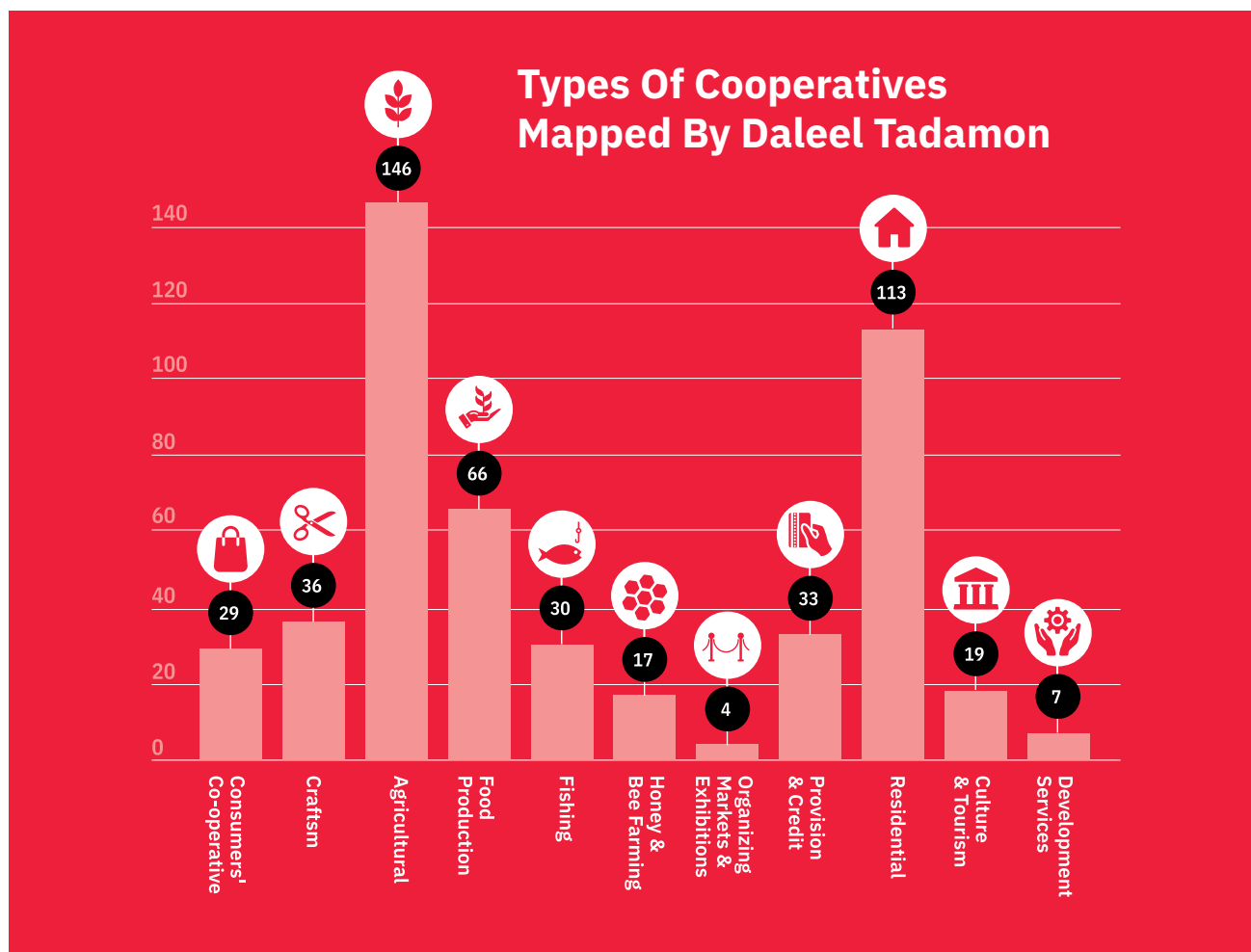


Figure 1: Daleel Tadamon Mapping of Cooperatives-daleel-tadamon.org (Cooperatives that could be traced but not necessarily active)



**The study started by surveying all the registered cooperatives in Lebanon.**

Based on the findings of the desk review, we found out that approximately only 10% out of all registered cooperatives are active.

Additionally, the majority of the housing cooperatives are registered in a certain time frame in the year 1997 and are basically a hoax to avoid taxation and fees.

The majority of agricultural cooperatives are not active anymore and are not omitted from official accounts moreover, most registered cooperatives cannot be reached because they lack contact details (phone number, address) and don't have a presence on social media.

**Upon identifying active cooperatives<sup>1</sup>, we were able to contact 100 cooperatives from different sectors and different areas of Lebanon (Figure 1).**

The cooperatives responded to a questionnaire encompassing questions around their legal status, number of members and workers, scope of reach, business plan, difficulties and constraints, the kind of support needed and the will to join other colleagues in the same sector.

<sup>1</sup> Most of the graphs in this report will show a comparative analysis with MSMEs for benchmarking purposes.



# Regional Sample Distribution of Economic Projects & Coops Across Governorates

## COOPS MSMEs

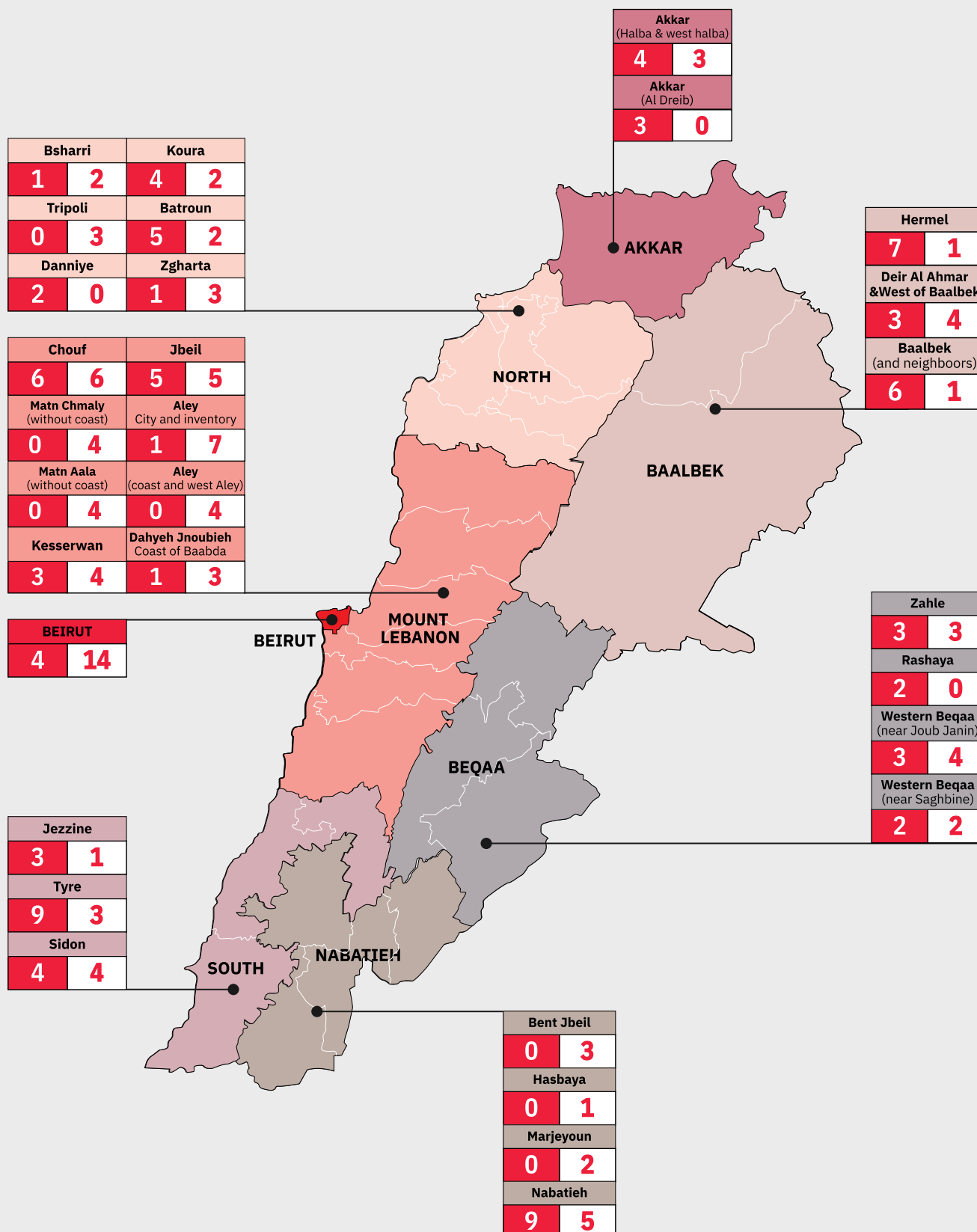


Figure 2 Regional sample distribution of economic projects and coops across governorates



The sample consists of MSMEs and cooperatives from all districts and governorates (Figure 2).

## The regional sample distribution is based on the distribution of the active cooperatives.

The regional distribution table above shows that the largest percentage of small and medium enterprises (14%) are located in Beirut region.

Beirut is the economic center of the country and most of the emerging business initiatives aim to invest in the center for ease of marketing and access to a larger number of residents.

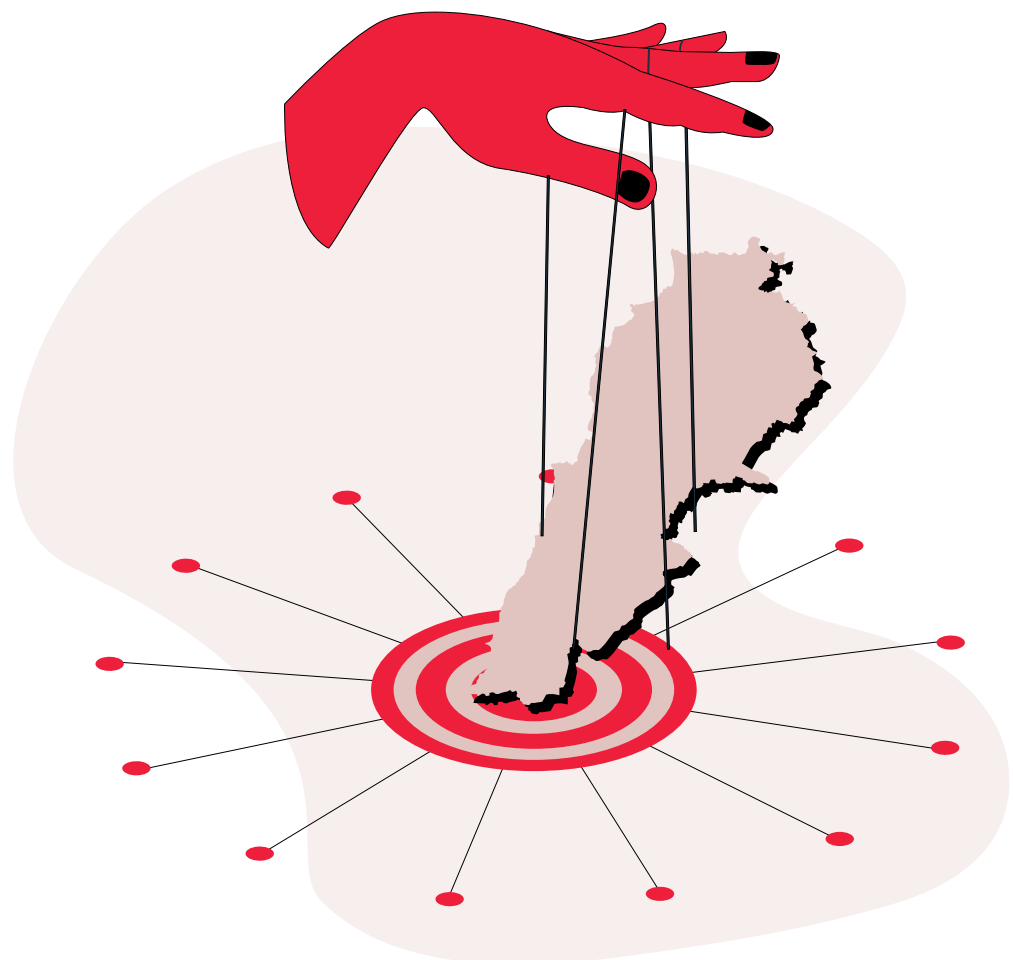
## This reflects that Lebanon is built on a centralized system.

In contrast, the largest percentage of cooperatives in the sample (18%) is located in the South Governorate in Tyre and Nabatieh, while a very small percentage (4%) is located in Beirut.

This is attributed to the nature of cooperative work; as cooperatives focus on improving the economic conditions of its members.

This entails enhancing the capabilities of individuals and developing resources on which a cooperative depends on.

This explains why most cooperatives are not based in the capital, since by managing the cooperative's resources and developing the expertise of its members, the cooperative is inclined towards economic strength that guarantees its continuity regardless of geographical location.



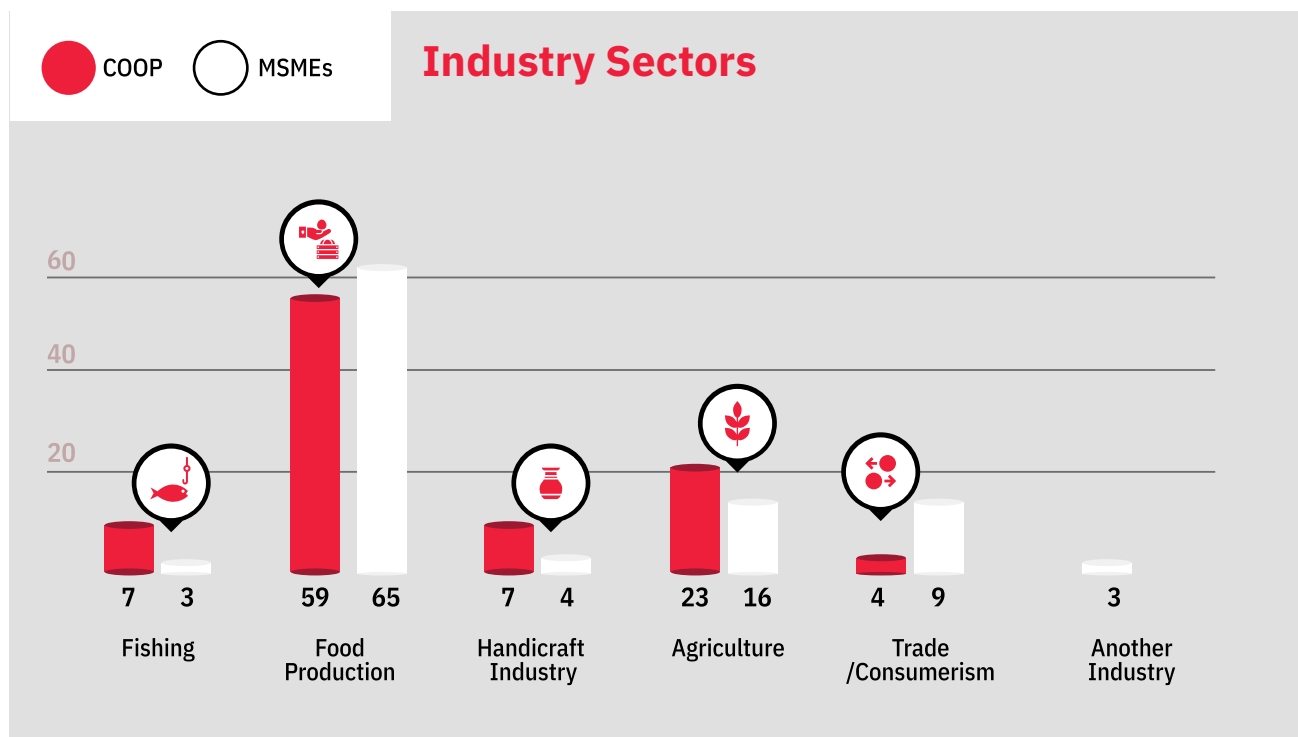


Figure 3. Industry sectors



The cooperatives covered by this study are distributed among sectors as follows (Figure 3)

**59% → food industry**  
**23% → agriculture**  
**7% → fishing**  
**7% → handicraft industry**  
**4% → trade/consumer**

As for small and medium enterprises, they are distributed as follows:

**65% → food industry**  
**16% → agriculture**  
**10% → trade/consumer**  
**4% → handicraft industry,**  
**3% → fishing**  
**3% → other industries**

The largest proportion of the research sample in the study is the food industry. Because the most active industry in Lebanon is hospitality and food production, the rest of the sample is distributed among agriculture, fishing, and trade/consumer.

One of the main difficulties that we encountered while searching for possible cooperatives is that more than 80% of the cooperatives are very difficult to reach.

The MSMEs surveyed in the sample were chosen based on the industry of relative cooperatives in order to have compatible data, and a clear analysis of the sample.

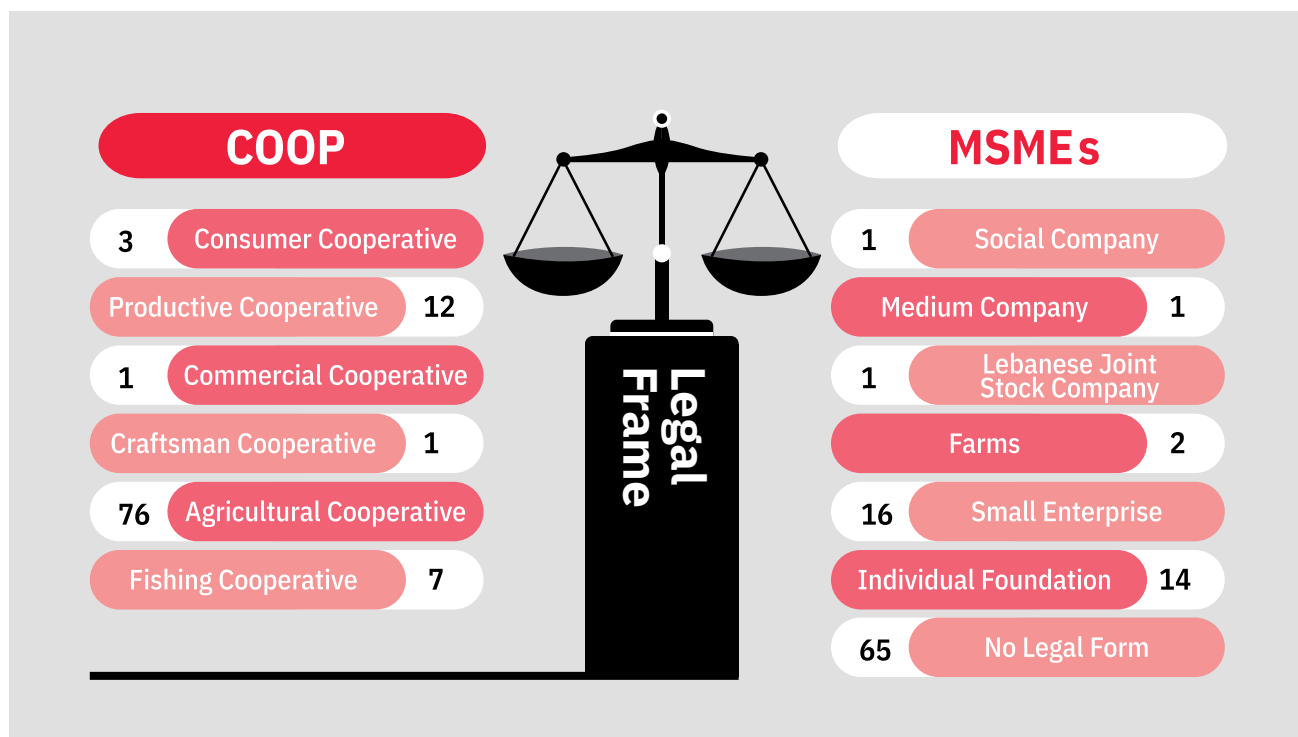


Figure 4. Legal Frame



76% of the cooperatives covered by this study are agricultural cooperatives, 12% production cooperatives, 3% consumer cooperatives, 1% commercial cooperatives, 1% artisanal cooperatives, and 7% fishermen cooperatives.

As for small and medium enterprises, 65% do not have a legal framework, 16% are a small enterprise, 14% have sole proprietorship, 2% farms, 1% are a Lebanese joint stock company, and 1% are a medium company.

**The huge number of non-registered enterprises (65%) is attributed to the bureaucratic hindrances encountered in the registration process of a company.**

While conducting the survey, participants mentioned to us that they have no intention of registering their enterprises in the future due to the absence of governmental support notably during the period of the crisis.

All cooperatives are legally registered, the largest percentage is registered as agricultural cooperatives (76%) and this is due to the scope of work which includes farming, production and processing of food. Each one of these sub-categories has its own structure and mode of operation.

Consumer cooperatives are relatively low in number because there is a major consumer cooperative called “COOP” and it is found in every major city, making it easier for a new consumer cooperative to be created and integrated into the pre-existing “COOP” network.

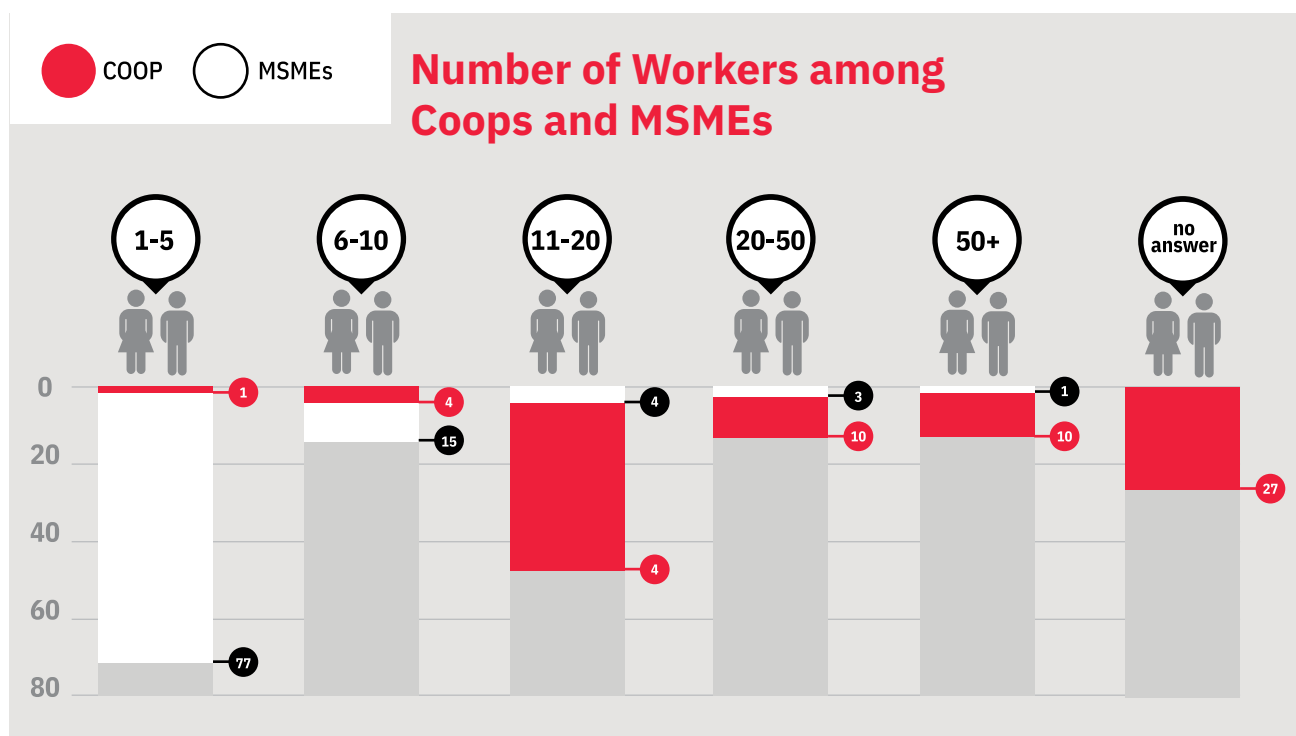


Figure 5. Number of workers among Coops and MSMEs



(Figure 5) reflects the number of workers among the two categories. The sample is divided into five main categories. 48% of COOPs consist of 11 to 20 beneficiaries, 20% are distributed evenly between having 20 to 50 and 50+ working individuals. 4% employ 6 to 10 individuals, and 27% do not have an exact number of accounted for employees.

As for MSMEs, 77% have an average of 1 to 5 employees, 15% employ 6 to 10 individuals, 4% have hired between 11 and 20 personnel, the rest 3% employ 20-50 employee, and 1% employ more than 50 workers.

Overall, 27% had no answer on the number of beneficiaries in the cooperatives category due to the change in the average number of beneficiaries which fluctuates according to seasonal produce and level of engagement at the level of the town or district.

Accordingly the significantly considerable average number of employees among

cooperatives is the result of the business model on which cooperatives are built on; since the more individuals in a certain industry cooperate together, the more productive and successful the model becomes.

**Consequently, it is a necessity for a cooperative to expand its pool of beneficiaries and members.**

In addition, beneficiaries in a cooperative are unpaid employees but are shareholders whom profit from the overall revenue of the cooperative.

The MSMEs' 77% figure is related to the nature of these enterprises that are mostly individual initiatives. In light of current crises, individuals behind such initiatives, tend to reduce their labor cost to be sustainable.



## Reach of Coops and MSMEs

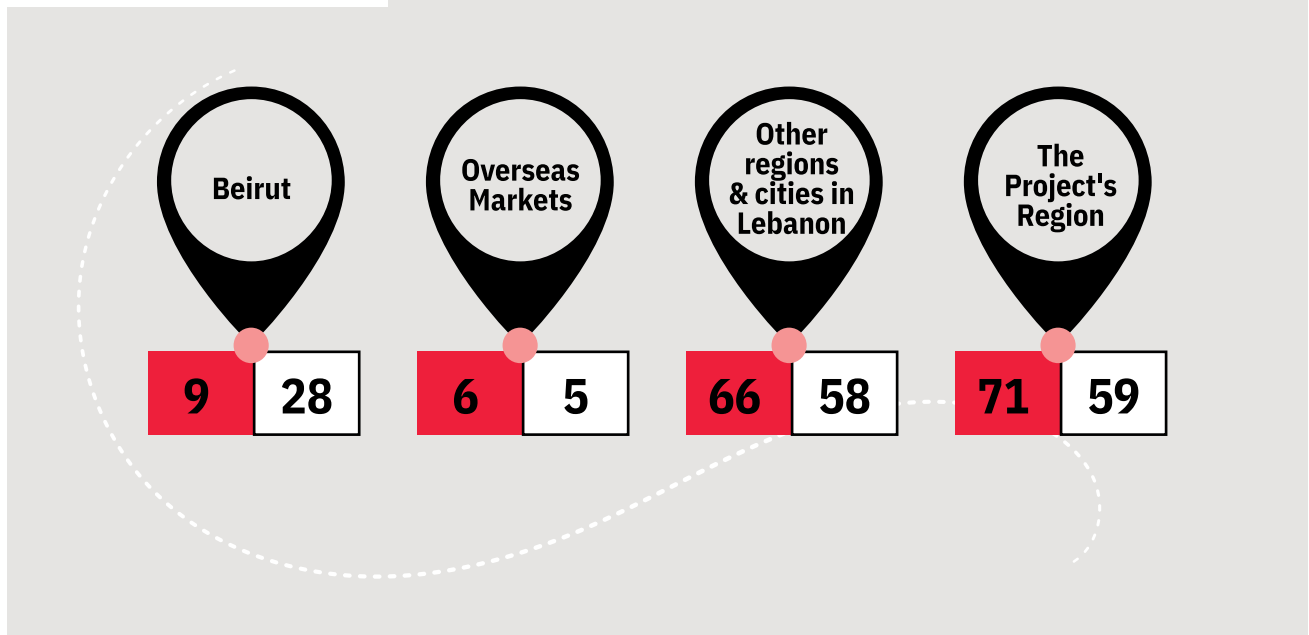


Figure 6. Reach of Coops and MSMEs



Figure 6 demonstrates the reach of the identified businesses. The data indicates five different categories of coverage.

71% of coops deliver products within the region of the coop, 66% widened their reach to be able to cover other cities and areas in the country, 6% export their products to foreign markets, and 9% broadened their reach to cover Beirut area. In parallel, 59% of MSMEs' customer reach is focused in the region of the business, 58% have access to other cities and districts in the country, 5% import their products abroad and 28% focus on delivering to Beirut.

The major reach of both categories is situated mainly in the region of the project and other major districts in the country.

**Nonetheless, it is important to flag out the inability of business owners to expand their reach abroad,**

especially with the imminent need for fresh dollars. This is due to the complications in the paperwork and the monopolization of the import/export industry.

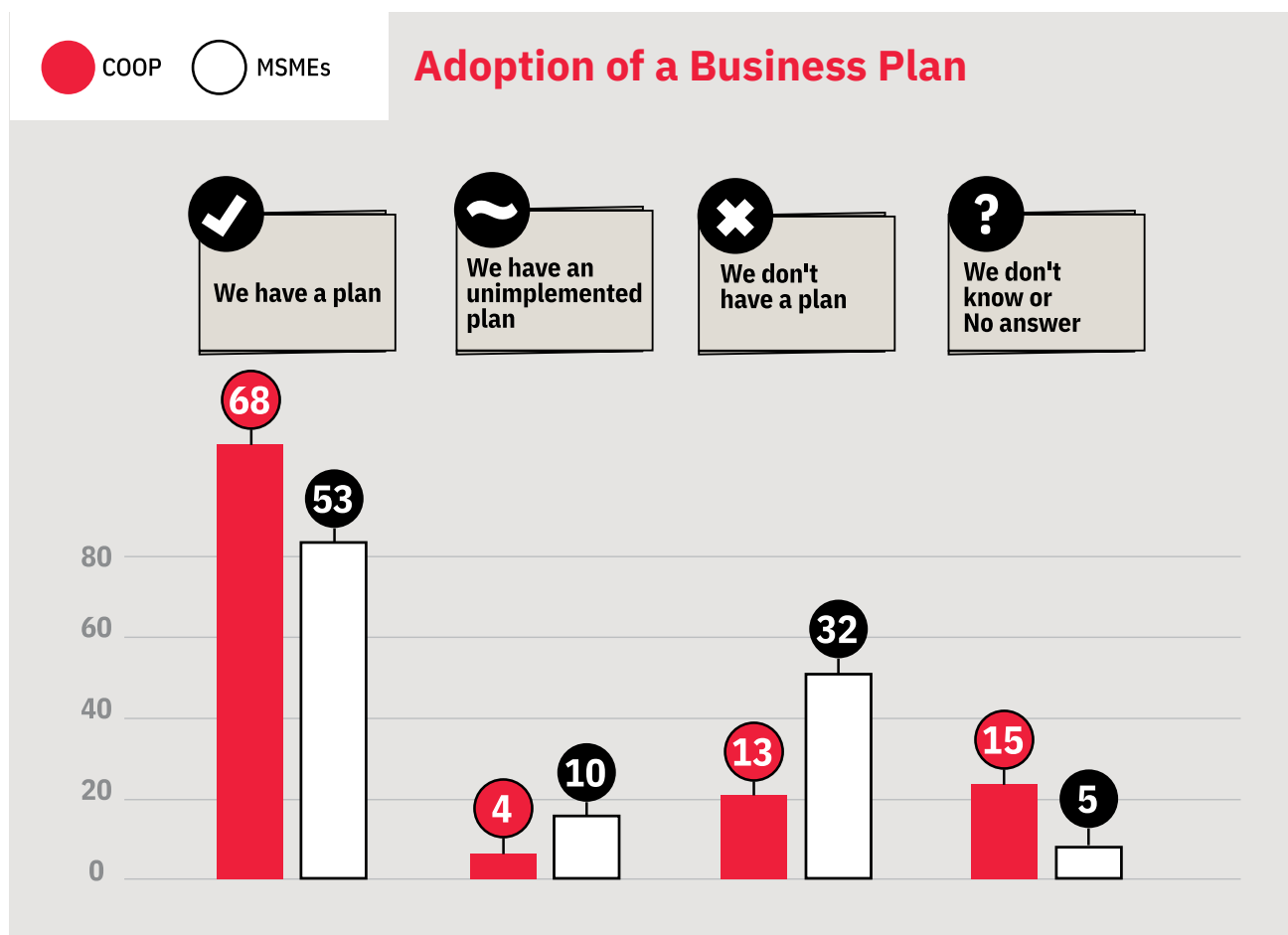


Figure 7. Adoption of a business plan



Figure 7 reflects the answers of participants when asked if they follow a certain plan for production, selling, and marketing.

The aim of this question is to assess which category focuses more on long-term goals and vision in terms of planning and strategy.

As the figure depicts; 68% of coops follow a business plan, 4% have a plan but it is not executed, and 28% either don't have a plan or they have no answer. Likewise MSMEs' data point out that 53% follow a business plan, 10% have a plan but it's not implemented, 32% don't have a plan, and 5% had no answer. The 68% result in the cooperative data is due to the need of cooperatives to organize, manage, and market their produce.

**In particular, agricultural cooperatives have seasonal goods' production in large quantities, and reliant on multiple beneficiaries, thus making it a necessity to have a business plan in order to properly operate.**

Although it is essential to have a business plan in any business model, 32% of MSMEs do not have a plan and this is due to the nature of small business enterprises, as they are caught up by the daily operational process of production and delivery which is established based on day to day orders.



# SECTION TWO



## Internal challenges among Coops and MSMEs

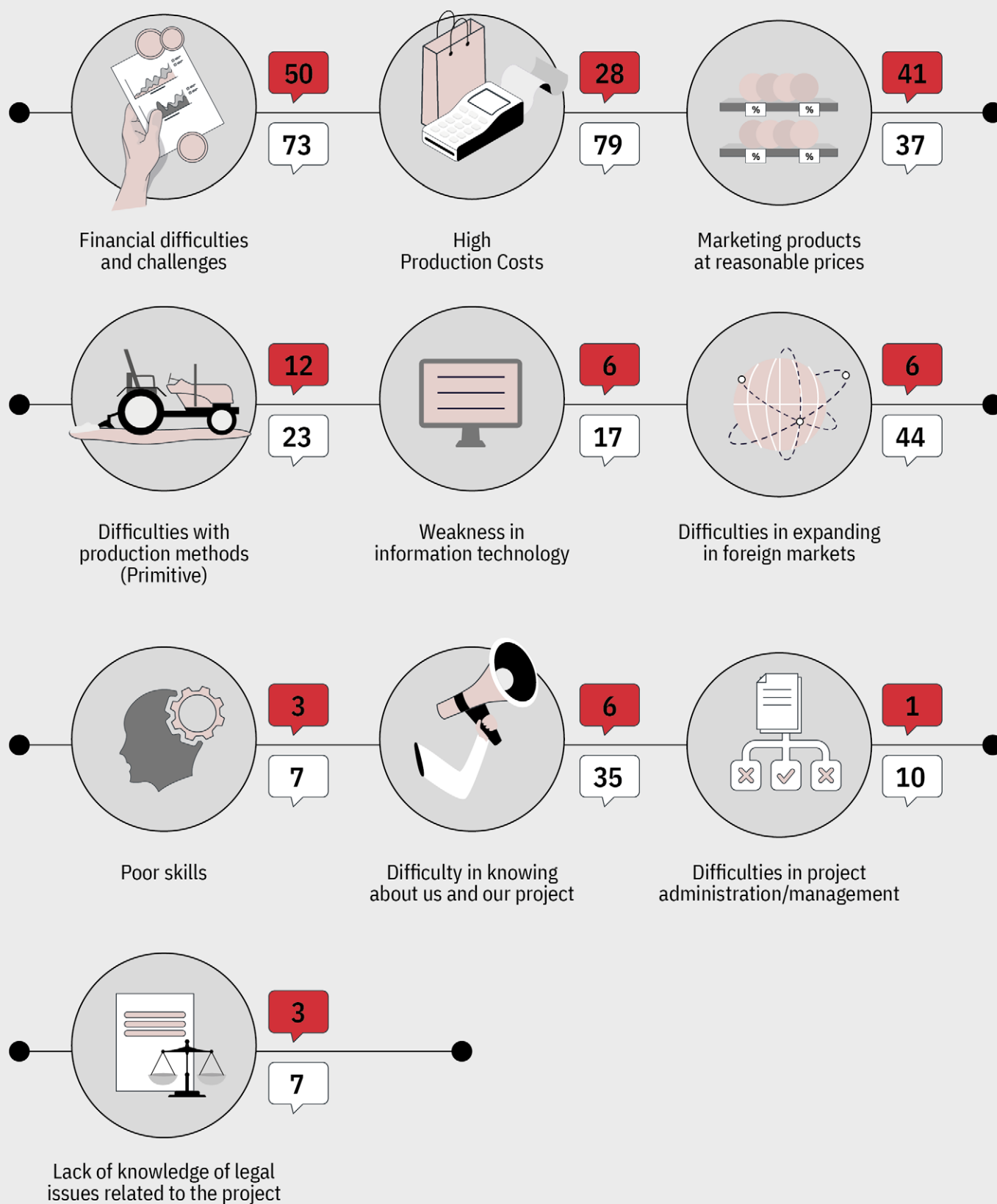


Figure 8. Internal challenges among Coops and MSMEs



## Internal Challenges

Cooperatives and small businesses (figure 8) face multiple internal challenges; particularly financial ones, due to the economic crisis and instability of the dollar rate.

The table indicates that 50% of cooperatives face difficulties and financial challenges, 41% have difficulties in marketing their products at suitable prices, and 28% suffer from high cost of production.

Also, 12% have difficulties with methods of production, 6% have difficulties in information technology skills, 6% have difficulties in expanding to foreign markets, 6% have difficulties in employees knowledge and skills, 3% have difficulties in reaching out to consumers, and 1% have difficulties in project management.

Small and medium-sized enterprises (MSME) are facing these problems more than cooperatives for many reasons.

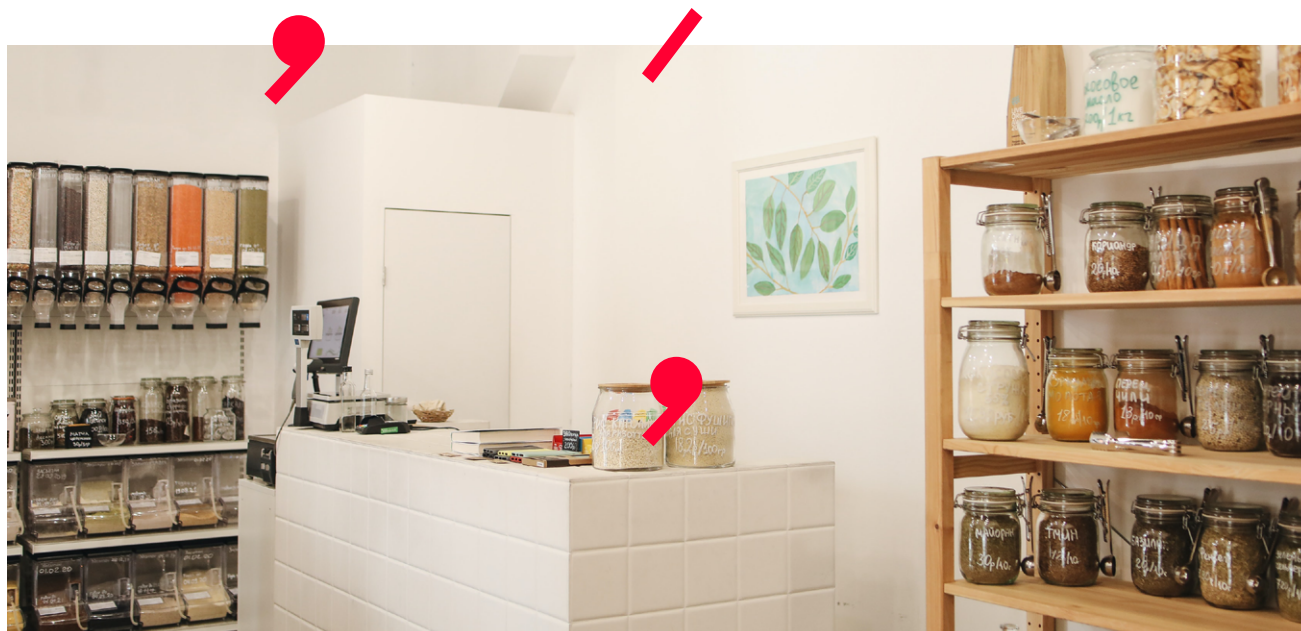
A lot of the issues faced by MSMEs are interconnected. 79% of MSMEs suffer from the high cost of production, 73% have financial difficulties and challenges, and 44% have difficulties in expanding to foreign markets. Moreover, 37% have difficulties in marketing products at affordable prices, 35% have

difficulties due to people's lack of awareness about their existence, 23% have difficulties in production methods, 17% have difficulties in information technology, 10% have difficulties in Project Management, 7% have poor skills and 6% have no knowledge of legal issues.

**Almost in every category tackled in the aforementioned question, the crisis clearly had a greater influence on MSMEs than Coops.**

While no one can argue that a model is immune against a financial breakdown, yet certain indicators such as the high cost of production and tools and methods of production could put the cooperative model at an advantage since it relies on multiple contributors with a diverse skillset.

Hence, Coop members have the ability to withstand challenges and be adequately responsive.



## External challenges among Coops and MSMEs

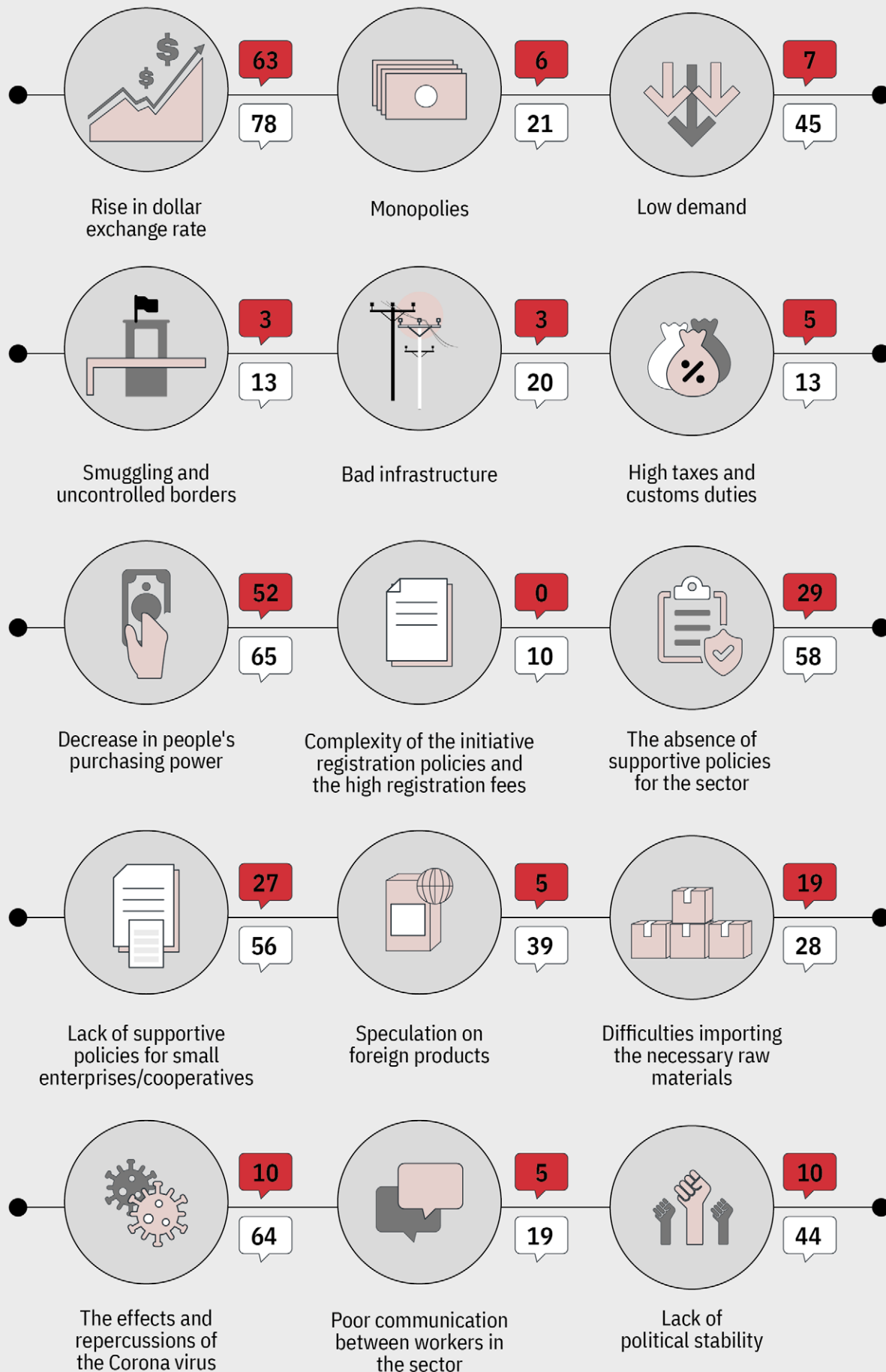


Figure 9. External challenges among Coops and MSMEs



## External Challenges

External challenges faced by cooperatives have lower percentages in comparison to small and medium enterprises.

**Nevertheless, both categories' major problems are related to the unstable dollar rate and the low purchasing power of consumers.**

Concerning cooperatives, we can see in (Figure 9) that: 63% suffer from the unstable dollar rate, 52% suffer from the low purchasing power of consumers, 29% suffer from the absence of policies supporting the sector.

Also, 27% suffer from the absence of policies supporting small enterprises/ cooperatives, 19% have difficulties in importing the necessary raw materials, 10% suffer from political instability, 10% suffer from the effects of Covid19 pandemic, and 3% suffer from poor infrastructure.

As for the small and medium enterprises' (MSMEs) influence by external challenges, we note that: 78% suffer from the high price of the dollar, 65% suffer from low purchasing power among people, 64% suffer from the effects and repercussions of Covid19 pandemic, 58% suffer from the absence of policies supporting the sector.

In addition, 56% suffer from the absence of policies supporting small enterprises/ cooperatives, 45% suffer from low demand, 44% suffer from political instability, 39% suffer from speculation of foreign products, 28% face difficulties in importing and border control, 13% suffer from high taxes and customs duties, 10% suffer from complicated registration processes and high registration fees.

A brief analysis of the MSME's data implies that the impact of external challenges is not mitigated for and these structures lack effective response mechanisms to overcome such challenges especially when these are accentuated; ultimately leading to the full closure of an enterprise.







Figure 10. Coops and MSMEs ways of dealing with obstacles



Despite the critical situation that the country is passing through, small and medium enterprises are doing their best to stay in business by trying to adapt by devising different solutions (Figure 10).

**Due to the nature of cooperatives as a business model, it renders it more resilient and capable to face problems and come up with collective decisions.**

The cooperative business model is based on the concept of solidarity, and it is in itself a way to face obstacles unlike the business model of MSMEs.

Thus, most cooperatives are not dealing with those obstacles because cooperatives themselves are a way to face the problems of the current economic situation.

However, 25% of the small and medium enterprises are still trying to adapt to this situation; while 24% are decreasing the percentage of productivity, 18% of them are selling their products in low prices, 13% are working on digital marketing, 14% are selling and pricing their products depending on the daily dollar currency.

Some of them are still trying to find another business that could help them in their daily income. Unfortunately, 9% of the small and medium enterprises are going to close down because of the economic situation.

Only 4% have the will to work with other small local businesses and others to export their products outside the country.

As for cooperatives, 4% are trying to adapt with the situation and 2% are trying to explore the salability of their products abroad. 1% chose different solutions such as: selling their products at low prices, finding alternatives to the dollar currency, and decreasing their production rate.

## Support needed by Coops and MSMEs

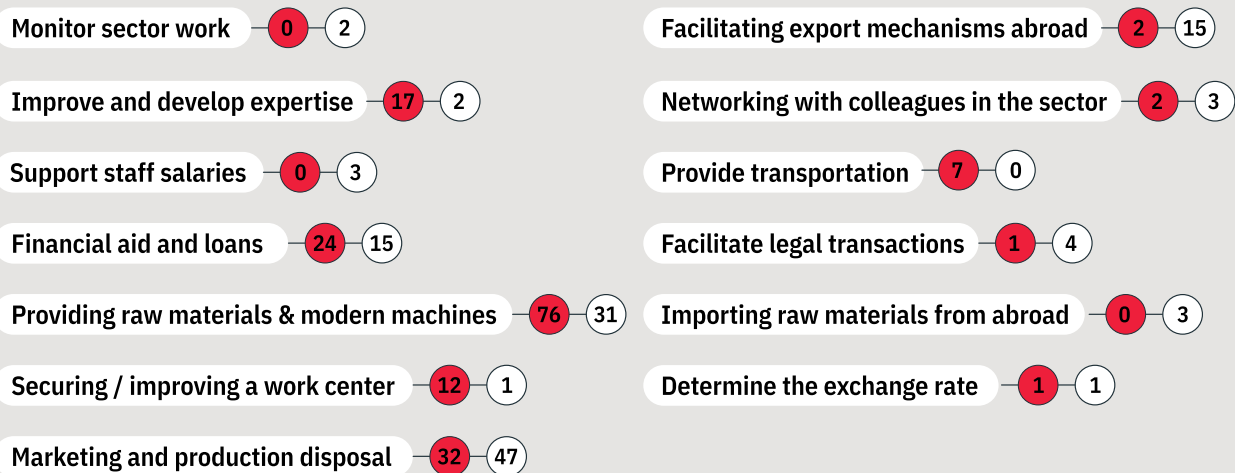


Figure 11. Support needed by Coops and MSMEs



Although the country receives international aid every year, as a result of corruption and poor governance within governmental entities; it doesn't reach those who are truly in need. It is rather allocated based on political and sectarian affiliations.

Concerning the type of support/aid needed (Figure 11); it is evident that 76% of the cooperatives lack basic primary material, while only 31% of the small and medium enterprises are facing this problem since they depend on local products.

However, 47% of these enterprises need advertising and marketing support, while only 32% of the cooperatives need this type of support. Despite the economic situation in Lebanon, 24% of cooperatives and 15% of small and medium enterprises need financial and loan support.

Furthermore, the small and medium enterprises with local products that need support in improving their skills constitute 2% while 17% of the cooperatives require this type of support. 15% of the small and medium enterprises ask for support in the export mechanism in contrast to the 2% of cooperatives.

Other percentages are distributed among cooperatives and small and medium enterprises for other kinds of support including: products' transport, connections with other businesses, facilitation of paperwork and follow up with sectors' work.



## Joining forces with colleagues in the sector

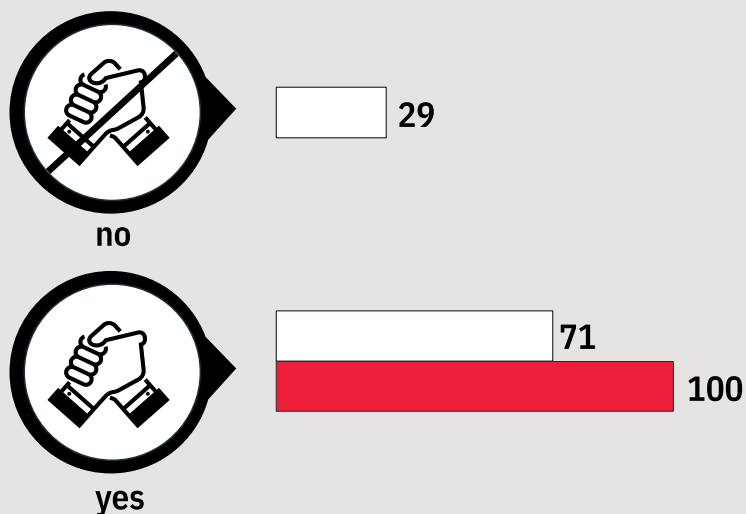


Figure 12. Joining forces with colleagues in the sector



As shown in Figure 12, all cooperatives prefer to join other businesses in the field, as it incites more engagement from people from the community. On the other hand, 71% of small and medium enterprises prefer to engage and work with different businesses.

Nonetheless, there are 27% of these small and medium enterprises that prefer not to join others because their production rate is limited, and they aren't legally registered which may affect their goods' reputation and the type of clients whom they are trying to attract.



# SECTION THREE



# CONCLUSION & RECOMMENDATIONS

Acknowledging all of the findings above, it is important to highlight some key observations and insights to identify which model copes better with the emerging complications of the economic crisis. In addition, it is pivotal to surface alternatives for defaulting businesses, and commonalities across both models of Coops and MSMEs.



## ON THE CURRENT STATUS OF SOLIDARITY ECONOMY STRUCTURES

Although active cooperatives do exist in most areas in Lebanon, the cooperative movement in Lebanon is still weak in terms of activity and participation in the highly undemocratic economy of Lebanon.

Most of the cooperatives in Lebanon are concerned with food production, and since there is very low level of awareness and lack of holistic law for solidarity economy in Lebanon, the cooperative movement in Lebanon is limited to very few activities mainly agricultural and food production.

## POTENTIAL OF SOLIDARITY ECONOMY STRUCTURES

In light of the current situation, cooperatives have a better ability to cope with challenges and complications than MSMEs.

This observation is linked to several factors, particularly, the large number of employees among Coops. It reflects various positive attributes such as, capacity building and knowledge exchange among members, a divers skillset and expertise; enabling working individuals to handle obstacles and challenges adequately.

Moreover, ensuring a mutual benefit among Coop members and beneficiaries and the subsequent interlinked financial relations; encourages them to devise solutions and to innovate in order to counteract the pressing problems of the current crisis.

Cooperatives are primarily based on the concept of solidarity, which in itself is a method to face crises.

The cooperative business model can play a major role in decreasing the unemployment rate by a significant proportion and fostering a jump-start of the economy.

## THE NEEDS OF SOLIDARITY ECONOMY STRUCTURES

Solidarity economy structures have various needs that need to be addressed on different levels, socially, economically, legally, and politically.

In addition to popularization of solidarity economy and cooperatives and in addition to efforts of connecting, organizing, and creating the value chain for solidarity economy initiatives, there is a need for policies that support the initiation of various types of cooperatives in various areas of the economy.

There is also a need for an encompassing law for social and solidarity economy in Lebanon, and a separate ministry for cooperatives instead of the current situation which puts cooperatives under the General Directorate of Cooperatives in Ministry of Agriculture.

Taking into consideration the relatively high percentage of cooperatives that are inactive or have suspended their work (more than 80% of all registered Coops); activating these pre-existing structures will revive the economy in peripheral districts and will surely enhance the sector and the rules and regulation that govern it.

## **COMMONALITIES BETWEEN COOPERATIVES AND MSMEs**

Despite all the difficulties and challenges faced by both categories, the analysis shows that MSMEs and Cooperatives have similar issues and problems and share commonalities among producers of similar industries.

Thus, by sharing resources, manpower and capital, it will prevent closure and enable businesses to grow and to be immune to setbacks and challenges.

This step is vital for these enterprises especially that the majority is not registered and could benefit from cooperatives' regulations and relevant registration processes.

It will enable those enterprises to have legal paperwork and be exempted from certain taxes and fees.

## **COOPERATIVES AND ECONOMIC DEMOCRACY**

Cooperatives are, in essence, democratic economic organizations that are totally run and controlled by their members.

They are collectively owned and democratically governed.

Thus, there is a consensus that cooperatives play a fundamental role in all interpretations and forms of Economic Democracy.

Whether production cooperatives, worker cooperatives, consumer cooperative, or any other type of cooperatives, it is acknowledged that solidarity economy structures are essential for a democratic economy.

The current Lebanese economic model is not designed to meet the interests of the people, the majority of which have no say in any of the economic decisions since they lack economic liberty. With lack of economic democracy comes lack of political democracy, thus the current political system continues and prevails.

In addition, in a democratic economy, there is a major reduction in unemployment levels, a major increase in productivity, and a drastic transformation in the dynamics at both the social and economic levels will take place.

# TOWARDS A PRODUCTIVE DEMOCRATIC ECONOMY IN LEBANON



## THE CURRENT LEBANESE ECONOMIC MODEL

The Lebanese economic model is highly hierarchical, very centralized, and with very low level of production. It is designed to serve the interests of the main players in the political system and to sustain their power through hegemonic relations with the people based on clientelism.

The Lebanese economic model is highly undemocratic, and the economic decisions, on the micro and macro levels, are in the hands of the ruling alliance of politicians, bank owners, major monopolists, and real-estate contractors.

Among the various consequences of the current economic model in Lebanon is high level of unemployment, low levels and production, total absence of the social perspective in the economy, and deterioration of political democracy.

In order to serve the deeds of the ruling political parties, the Lebanese economic model resorts to favouritism in employment in the public sector, huge enterprises, and banks.

This model is unable to offer jobs for the majority of the working force. With lack of policies which protect productive economic projects and promote their initiation and that of cooperatives the working force is left with a high level of unemployment.

The current Lebanese economic model has encouraged people to put their money in banks or purchase real-estate properties rather in investing in productive economic initiatives and this has led to huge negative consequences on the productivity of the economy.

The dynamics of power within the socio-economic and socio-political structures of the Lebanese society have led to a system of ideas and beliefs which have become the norm clientelistic relations with the politicians, politically conditioned employment, easy gain of money, and individualistic approaches which all became the norm, wiping aside social values of solidarity and economic initiatives with social dimensions.

## TOWARDS A PRODUCTIVE DEMOCRATIC ECONOMIC MODEL IN LEBANON

To counter the current situation and to counter the consequences of the Lebanese political system and its economic model the political efforts need to go in parallel, hand in hand, with efforts on the economic level and on the level of organizing people in grassroots projects in order to achieve a higher level of economic democracy in Lebanon.

In a democratic economy the economic decisions will be horizontally spread among high percentage of the population resulting in a higher levels of economic liberty which can be directly related to political democracy.

In addition, in a democratic economy: major reduction in unemployment levels, major increase in productivity, and drastic transformation in the dynamics on the social and economic levels will take place.



In Daleel Tadamon we believe that restructuring the Lebanese economy towards a productive, and democratic economy relies on the below foundations. In 2021 we shall build, promote, support, and connect the efforts towards these foundations.

**01 →** It is fundamental that the economic movement towards a democratic economy is accompanied by political movement and advocacy for essential reforms and policies which promote and protect solidarity economy and democratic economy structures.

**02 →** Activation of inactive cooperatives or initiation of new solidarity economy structures.

**03 →** Working for an active cooperative movement in Lebanon. Although cooperatives do exist in Lebanon, yet, the cooperative movement in Lebanon is weak and not well establish and grounded. It is not yet understood what percentage of cooperatives in Lebanon are real cooperatives and further research here is required.

There is a need to put all the efforts to support an effective and an organized cooperative movement in Lebanon which comprises solidarity economy structures of different types (Producer cooperatives, consumer cooperatives, workers cooperatives, and financial cooperatives).

**04 →** Organizing MSMEs, especially micro-enterprises which operate with 1 to 5 employees, for them to have a less individualistic and more social perspective, and for them to better meet the interests and needs of the society rather than individualistic interests based on gain and competition.

This should be accompanied by political efforts for crucial social policies and legislations that protect workers in MSMEs who suffer from working under bad conditions, with low wages, and sometimes in informal status thus lacking social security. In addition, they are always in direct contact with the business owner thus experiencing a prolonged suffering with power dynamics within the enterprise.

**05 →** Building on the intersections and commonalities between cooperatives and MSMEs for it is apparent that the interests of MSMEs are not with huge enterprises but rather with cooperatives.



Report done by Daleel Tadamon taskforce with a collaboration with FES

دليل  
تضامن

FRIEDRICH  
EBERT  
STIFTUNG