
SOCIAL RETURN ENTERPRISES

Executive Document

Work, dignity, purpose and social peace in the face of technological transformation

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PRESERVING SOCIAL PEACE

EXECUTIVE SUMMARY

Artificial intelligence, automation and technological development are transforming the labour market at a speed that may exceed the capacity of workers, institutions, education systems and governments to adapt.

The challenge created by this transformation is not limited to the possible disappearance of certain jobs.

A person who is displaced from employment may lose income, but may also lose professional identity, autonomy, recognition, social relationships, a sense of belonging and purpose.

Social Return Enterprises, or ERS, are proposed as a mechanism for addressing this transition.

An ERS is a productive organization whose main purpose is not to maximize economic profit, but to generate social return by incorporating displaced or unemployed people into productive activities, training processes and labour-transition mechanisms.

The central principle is to transform, whenever possible, part of the resources used to respond passively to unemployment into resources for paid work, training, career transition and productive participation.

The higher purpose of the model is to preserve social peace.

SECTION TWO. THE PROBLEM

Technological transformation can make certain tasks unnecessary, alter entire professions and create new labour needs.

This process may produce an apparently contradictory situation: unemployment and a shortage of skilled workers at the same time.

The problem is not only how many jobs exist, but the distance between the capabilities a person already possesses and those that the new economy is beginning to require.

In addition, when an activity performed for many years disappears, the consequences go beyond income.

A person may lose professional identity, recognition, autonomy and the perception that he or she continues to be useful to society.

For this reason, technological unemployment should be considered not only an economic problem, but also a human problem and a problem of social integration.

SECTION THREE. THE PERSON IS NOT OBSOLETE

Technology may make a task obsolete.

It may transform an occupation.

It may replace certain functions.

But the person who performed that work does not become obsolete.

This principle is one of the foundations of ERS

The social response to technological displacement should not be limited to providing income.

It should also offer the person a concrete path for continuing to work, learn, participate and build a new activity when the previous one no longer has a future.

SECTION FOUR. FROM BENEFIT TO PARTICIPATION

The traditional model can be represented as follows:

Unemployment.

Financial benefit.

Inactivity.

The ERS model proposes:

Employment displacement.

ERS

Work or training.

Salary.

Transition.

The difference is fundamental.

The person is no longer regarded only as the recipient of a benefit, but once again becomes a worker, a participant and a producer of value.

When legal and economic conditions allow, resources used to address unemployment could be transformed into dignified remuneration linked to productive work, training or career transition.

This is not simply a matter of withdrawing a benefit and demanding work in return.

It is a matter of using resources that already exist to protect the person in order to build an active path towards new productive capacity.

SECTION FIVE. WHAT IS A SOCIAL RETURN ENTERPRISE?

An ERS is a productive organization fundamentally oriented towards generating social solutions through work, training and labour transition.

Its success is not measured mainly by asking: how much money did it earn?

The central question is: how much social value did it produce with the resources used?

That value may be expressed in people returning to work, acquiring new capabilities, regaining autonomy, later entering the private labour market and maintaining meaningful productive and social participation.

Economic sustainability is necessary.

But economic profitability is not the final purpose. It is a condition for achieving social return.

SECTION SIX. DOUBLE RETURN

An ERS can produce two results simultaneously.

Productive return.

It produces a good or provides a service needed by the state or by other actors.

Social return.

It uses that productive process to generate employment, training, experience, income, autonomy, labour transition and integration.

A conventional company may deliver a particular product or service.

An ERS seeks to deliver the same product or service while simultaneously using production to generate social integration.

That second result constitutes its social return.

SECTION SEVEN. PRODUCING FOR REAL NEEDS

ERS organizations must not create artificial jobs merely to keep people occupied.

The state already consumes goods and services on a permanent basis and allocates public resources to acquiring them.

When an ERS can meet one of those needs with appropriate quality, price, continuity, supply capacity, compliance and transparency, it may participate as a supplier.

Existing public expenditure.

ERS

A necessary good or service.

Work, training and social return.

Demand is not invented.

The need must already exist.

SECTION EIGHT. RELATIONSHIP WITH PRIVATE ENTERPRISE

ERS organizations are not intended to eliminate or replace the private sector.

When an ERS cannot adequately meet a need, the state should retain the possibility of contracting private suppliers.

ERS organizations must demonstrate their capacity to compete under appropriate conditions.

SECTION NINE. ERS AS A BRIDGE

An ERS should not necessarily become the permanent employment destination of its participants.

One of its greatest achievements will be precisely that a person can leave the ERS because he or she has obtained a new employment opportunity.

For this reason, the model includes skills assessment, training, work experience, links with businesses, labour-market intermediation and follow-up.

The ERS can therefore become a talent incubator that connects:

Displaced people.

Training.

Experience.

New employment opportunities.

The previous professional experience of each participant is an asset and should be used whenever possible.

SECTION TEN. TRAINING IS ALSO WORK

In an economy undergoing permanent technological transformation, learning new capabilities should not be considered an activity separate from work.

Within an ERS, time devoted to training, updating, improvement, career transition and the acquisition of new skills may form part of the paid process.

The principle is simple:

Learning is a way of working for the future.

In addition, when it is possible to anticipate that a particular profession or activity will be affected by technological transformation, training should begin before the person permanently loses employment.

SECTION ELEVEN. THE ROLE OF THE STATE

The state plays a fundamental role, but it does not need to administer every ERS directly.

It may act as facilitator, financier, purchaser and evaluator.

Its possible responsibilities include:

Establishing the legal framework.

Facilitating resources currently allocated to unemployment.

Purchasing goods and services where appropriate.

Promoting training.

Setting standards.

Supervising.

Guaranteeing transparency.

Evaluating results.

ERS organizations should also have institutional structures capable of providing continuity beyond changes of government, public officials or political orientation.

SECTION TWELVE. FINANCING

The starting point is an existing reality:

States already allocate significant resources to unemployment situations.

The ERS model proposes studying whether part of those resources can be used productively to finance work, training and transition.

Financing could also be complemented by income from goods and services produced, public resources, foundations, nonprofit organizations, institutional agreements and other mechanisms compatible with the social purpose of the project.

When existing unemployment resources are insufficient to guarantee dignified remuneration and the functioning of the system, the state could provide the difference.

SECTION THIRTEEN. ARTIFICIAL INTELLIGENCE: FROM PROBLEM TO TOOL

The same technology that transforms certain jobs can help manage the transition.

Artificial intelligence can contribute to:

Identifying occupations at risk.

Anticipating new skills.

Analysing professional profiles.

Detecting transferable capabilities.

Designing training pathways.

Locating employment opportunities.

Connecting workers with businesses.

Technology should therefore not be approached as an enemy of the worker.

It should be used to increase the worker's capacity to adapt.

SECTION FOURTEEN. MEASURING SOCIAL RETURN

An ERS must be open to evaluation.

Its indicators may include:

The number of people incorporated and trained.

Completed career transitions.

Subsequent access to private employment.

Retention in that employment.

Goods and services produced.

The value of production.

Public resources used.

Cost per participant.

Average transition time.

But there is a higher question:

How many people succeeded in recovering or maintaining meaningful productive and social participation?

That result is what essentially distinguishes an ERS from a conventional company.

SECTION FIFTEEN. WHAT AN ERS MUST NOT BECOME

An ERS must not become:

A disguised subsidy.

A bureaucratic structure.

A permanent holding place for unemployed people.

A conventional state-owned company.

A clientelist or political mechanism.

An organization designed to preserve indefinitely jobs that have no social usefulness.

Nor should it be used to destroy private activity artificially.

The ERS exists to produce, train and transform.

Its purpose is to create an active path between an activity that disappears and a new possibility for participation.

SECTION SIXTEEN. A PREVENTIVE PROPOSAL

ERS organizations should not act only after unemployment has already occurred.

The model proposes trying to detect in advance:

Which jobs are changing.

Which people are exposed.

Which capabilities they possess.

Which capabilities the economy will need.

The objective is to reduce the time between the disappearance of one job and the possibility of a new one.

Prevention can stop an initially employment-related situation from becoming prolonged social exclusion.

SECTION SEVENTEEN. THE HYPOTHESIS THAT MUST BE TESTED

ERS is not presented as a solution whose success should be taken for granted.

Its central hypothesis must be tested in reality.

Can part of the resources currently used to address unemployment be transformed into remuneration for socially useful work, training and labour transition?

And can ERS organizations simultaneously produce goods and services that the state already needs?

If so, part of the social cost of unemployment could be transformed into productive participation, preserving human dignity and strengthening social peace.

The proposal does not promise to eliminate unemployment.

It does not promise that every person will immediately find another profession.

Nor does it assume that every ERS will be economically self-sufficient.

It proposes creating a mechanism that makes it possible to address more effectively the human and social consequences of technological transition.

SECTION EIGHTEEN. AN ADAPTABLE MODEL

There is not necessarily one single form of ERS

Its activities may vary according to the country, region, existing public needs, economic structure, participants' capabilities and technological development.

The model must adapt to each society while maintaining its fundamental principles.

This makes it possible to experiment through concrete projects, measure results, correct errors and determine where the system produces genuine social return.

SECTION NINETEEN. HIGHER PURPOSE: PRESERVING SOCIAL PEACE

Technological progress should not be stopped in order to preserve indefinitely jobs that are no longer necessary.

But society should not accept as inevitable that the people who performed those jobs will remain permanently excluded.

Between these two positions, ERS proposes a third alternative:

Do not stop technology.

Do not abandon people.

Transform the transition.

Prolonged loss of employment, income, expectations, professional identity and future prospects can create consequences that extend far beyond the labour market.

For this reason, transition mechanisms can be understood not only as social expenditure, but as a preventive investment in stability and social cohesion.

The ultimate purpose of Social Return Enterprises is to enable society to advance technologically without turning that progress into a permanent divide between those who benefit from it and those who are displaced by it.

THE IDEA IN ONE SENTENCE

Social Return Enterprises propose transforming part of the social cost of technological unemployment into work, training and productive participation, in order to preserve people's dignity and purpose and, through them, social peace.

Preserving social peace.