

FORTY YEARS OF SOCIAL INNOVATION:

**EXECUTIVE SUMMARIES OF THE BOOK ON
WORKER-OWNED COMPANIES IN SPAIN**

FINANCIA:



EDITA:



SOCIEDADES LABORALES: 40 AÑOS DE INNOVACIÓN SOCIAL

Manuel García Jiménez
Sebastián Reyna Fernández
COORDINADORES

FINANCIA:



GOBIERNO
DE ESPAÑA

MINISTERIO
DE TRABAJO
Y ECONOMÍA SOCIAL



Federación Empresarial
de Sociedades Laborales
y Participadas de España

EDITA:



Original title:

Sociedades Laborales: 40 años de innovación social

Original editor:

© CIRIEC-España, Centro Internacional de Investigación e Información sobre la Economía Pública, Social y Cooperativa
Avda. Los Naranjos. Facultad de Economía. Despacho 2p21.
46022 Valencia

Tel.: 96/382.84.89 - Fax: 96/382.84.92

ciriec@uv.es - www.ciriec.es

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Executive Summary and Translation:

LABORPAR

Executive Summary of the Volume “Forty Years of Social Innovation: The Worker-Owned Company Model in Spain”

This volume presents a comprehensive historical and analytical account of the *Sociedades Laborales* (Worker-Owned Companies) in Spain, tracing their origins, legal evolution, financial foundations, regional diffusion, and institutional consolidation over the last four decades. It combines academic research with testimonial narratives to document how a form of enterprise born out of industrial crisis became a mature pillar of the Spanish Social Economy.

The first part of the book reconstructs the evolution of the model from its early manifestations in the 1960s to its full legal recognition through Law 15/1986. It highlights the pivotal moments that defined its trajectory: the pioneering experience of SALTUV in Valencia; the use of worker buyouts to preserve employment during the crises of the 1970s; and the institutionalisation of worker ownership through successive legal reforms culminating in Law 4/1997 and Law 5/2011. The analytical chapters demonstrate how Worker-Owned Companies translated the constitutional mandate of Article 129.2 into practical instruments of economic democracy, showing that collective ownership and professional management can coexist within competitive markets. They also analyse the financial instruments—public credit, unemployment capitalisation, participative loans, and mutual guarantees—that transformed worker takeovers into a sustainable policy tool. The Catalan cases, particularly TUSGSAL,

provide empirical evidence of the model's viability and its capacity for innovation and social responsibility.

The second part of the book gathers institutional and personal testimonies that illustrate the human and organisational fabric behind this legal and economic evolution. The creation of regional federations such as ASLE, ANEL, ASATA, ASALMA, AMUSAL, and ASALCYL, and their coordination through CONFESAL, reveal how collective action and social dialogue built a representative infrastructure for the sector. These federations not only defended legal recognition but also fostered training, technical assistance, and regional development. The personal narratives highlight values of commitment, participation, and solidarity, demonstrating that the endurance of the model rests on a deep ethical foundation as much as on legal and economic frameworks.

The consolidation of LABORPAR marks the entry of the Worker-Owned Company movement into a new phase of institutional maturity and strategic renewal. As the national federation uniting all regional organisations, LABORPAR represents continuity with the founding spirit while positioning the model within contemporary priorities such as sustainability, digitalisation, and the green and social transitions promoted at the European level. Its advocacy, research, and communication efforts reaffirm the relevance of Worker-Owned Companies as instruments for inclusive and territorially rooted growth.

Taken as a whole, the book provides both a historical testimony and a forward-looking vision. It demonstrates that Worker-Owned Companies have evolved from emergency responses into enduring institutions of democratic entrepreneurship. Their trajectory embodies a distinctive form of social innovation: one that reconciles efficiency and equity, economic competitiveness and social purpose, tradition and modernisation.

“From the recovery of factories to the renewal of institutions, the history of Worker-Owned Companies tells a single story: that shared ownership can be both a means of survival and a strategy for the future”.

Prologue

Authors: Jone Nolte and Julán Menéndez

Objective

The prologue sets the general purpose and framing of the volume: to pay tribute to the people and institutions that made possible the creation and consolidation of the Sociedad Laboral model in Spain. It acknowledges the contribution of workers, trade unionists, entrepreneurs, association leaders, academics, and public officials who, over five decades, built a participatory business structure that has generated employment, strengthened territorial cohesion, and fostered an economy centred on shared responsibility.

Key ideas

The text traces the origins of the model to the establishment of SALTUV (Sociedad Anónima Laboral de Transportes Urbanos de Valencia) in 1963, considered the first worker-owned company in Spain. This pioneering experience demonstrated that workers could successfully manage and own their enterprise, ensuring employment continuity and social stability.

The authors describe how the economic and political turbulence of the 1970s — notably the oil crisis, industrial restructuring, and the democratic transition— prompted similar initiatives across the country. Workers began taking over companies facing closure, while trade unions and public administrations gradually supported these processes through financing schemes and regulatory measures.

This movement culminated in the adoption of Law 15/1986 on Worker-Owned Limited Companies, which gave legal recognition to a growing social reality and explicitly linked it to Article 129.2 of the Spanish Constitution, mandating public authorities

to facilitate workers' access to ownership of the means of production. The law integrated Worker-Owned Companies into the broader Social Economy framework, on an equal footing with cooperatives.

The prologue also highlights the decisive role of the associative movement in sustaining and expanding the model: from the early regional organisations such as FE-SALC, ASLE, ANEL, ASATA, ASALMA, AMUSAL and ASALCYL, to the creation of the national confederation CONFESAL in 1987 and, later, the establishment of LABOR-PAR.

Finally, the authors extend the reflection to current challenges. Worker-Owned Companies are presented as a contemporary solution to structural issues such as the lack of business succession, depopulation of rural areas, and the need for stable and locally rooted employment. The text calls for renewed legislative and financial instruments—including the modernisation of the 2015 law, the use of unemployment capitalisation, and new fiscal and social incentives—to strengthen the continuity of viable enterprises through their transformation into worker-owned companies.

Conclusions / Contributions

The prologue builds a bridge between the historical origins of the Worker-Owned Company model and its present-day relevance. It portrays this form of enterprise as a modern expression of economic democracy, capable of combining entrepreneurial efficiency with social justice. Born from collective initiative, the model continues to offer a robust and adaptable framework for generating quality employment and regional cohesion. The authors conclude with an appeal to a new generation to uphold and expand this legacy, fostering collaboration among institutions, business organisations, and social partners to ensure its future development.

“Economic democracy is not decreed; it is built through practice.”

Introduction

Authors: Manuel García Jiménez and Sebastián Reyna Fernández

Objective

The introduction outlines the structure and purpose of the commemorative volume marking forty years since the adoption of the first Law on Worker-Owned Companies in Spain. It seeks to provide an overview of the model's historical development, combining academic analysis with testimonial accounts, and to highlight the enduring relevance of Worker-Owned Companies as instruments for employment creation, social cohesion, and participatory economic governance.

Key ideas

The editors explain that the book is divided into two major sections. The first part offers an analytical perspective, examining the origins and evolution of Worker-Owned Companies from legal, historical, and economic standpoints. The second part compiles personal narratives and institutional chronicles that document the associative processes and territorial expansion of the model.

In the analytical section, contributions by Gustavo Lejarriaga, Paloma Bel, Sonia Martín and Javier Iturrioz trace the historical phases of development from the 1960s onwards. María Soledad Fernández Sahagún analyses the 1986 law that formally integrated the model into the Social Economy framework, focusing on the participation of worker-owners. Other chapters address financing mechanisms, the early experiences in Catalonia, and the case of TUSGSAL as an exemplary worker-recovered company.

The second part collects first-hand testimonies from workers, trade unionists, as-

sociation leaders, and policymakers who shaped the movement and built its representative organisations such as ASLE, ASALMA, AMUSAL, and CONFESAL. These accounts provide a human and experiential dimension to the collective history of Worker-Owned Companies. The editors stress the importance of preserving these memories through systematic documentation and academic research, acknowledging the support of institutions such as the Fundación Largo Caballero, custodian of CONFESAL's archives.

Conclusions / Contributions

The introduction positions the book as both a historical reconstruction and a collective reflection on the achievements and future of the Worker-Owned Company model. It not only commemorates a legislative milestone but reaffirms the relevance of this participatory form of enterprise as a living expression of social innovation and economic democracy. By merging academic research with personal narratives, the work underscores that the history of economic institutions is ultimately a history of the people who shaped them.

“The histories of social or economic institutions are, above all, the histories of the people who have shaped their course.”

PART I.

Origin and evolution of Worker-Owned companies in Spain

I. Stages in the Historical Development of Worker-Owned Companies

Gustavo Lejarriaga Pérez de las Vacas

Associate Professor of Financial Economics
Complutense University of Madrid

Paloma Bel Durán

Associate Professor of Financial Economics
Complutense University of Madrid

Sonia Martín López

Assistant Professor Doctor in Financial Economics-
Complutense University of Madrid

Javier Iturrioz del Campo

Associate Professor of Financial Economics
CEU San Pablo University

Objective

This chapter provides a chronological and analytical overview of the evolution of Worker-Owned Companies in Spain, from their initial emergence in the 1960s to their consolidation within the legal and economic framework of the 1990s. Its objective is to identify the main historical phases, legislative developments, and organisational dynamics that have defined this distinctive model of worker-owned enterprise.

Key ideas

The authors identify four principal stages in the development of the model. The first, in the 1960s, saw the birth of early worker-owned firms such as the Sociedad Anónima Laboral de Transportes Urbanos de Valencia (SALTUV), created and managed by its employees with public financial support through the National Worker-Owned Protection Fund. This pioneering experience maintained employment and improved working conditions for transport workers, establishing an alternative to traditional cooperative structures.

During the 1970s, the oil crisis and the resulting industrial recession fostered the expansion of Worker-Owned Companies as a mechanism for business recovery and employment retention. The government provided favourable credit lines and technical assistance, recognising the economic and social benefits of keeping companies active. In this context, Worker-Owned Companies emerged as a pragmatic solution to industrial crises and as a means of transforming failing firms into collectively managed enterprises.

The 1980s marked the institutionalisation of the model through the approval of the Law 15/1986 on Worker-Owned Limited Companies, which formalised its legal status and incorporated it into Spain's Social Economy framework. This law defined its core principles: majority ownership by worker-shareholders and limits on individual participation.

In the 1990s, new European regulations prompted reforms that introduced minimum capital requirements and registration obligations, which posed challenges for smaller firms. The Law 4/1997 on Worker-Owned Companies addressed these limitations by creating the Worker-Owned Limited Liability Company (Sociedad Limitada Laboral), a more flexible form that encouraged self-employment and the growth of small enterprises.

The chapter concludes with an overview of the organisational development of the sector, from the creation of regional associations to the establishment of the national federation LABORPAR, successor to CONFESAL, and its integration into CEPES, the Spanish Confederation of the Social Economy. This structure provided a unified platform for representation and dialogue with public institutions, strengthening the position of Worker-Owned Companies within Spain's broader social economy ecosystem.

Conclusions / Contributions

The chapter demonstrates that Worker-Owned Companies arose as a practical response to industrial crises and evolved into a stable model of economic democracy. Their history reflects a process of institutional consolidation that transformed isolated worker initiatives into a recognised and competitive form of enterprise. The authors underline that this evolution preserved the model's founding essence: collective ownership and the central role of workers in corporate governance.

“The Worker-Owned Company became a valid instrument for rescuing firms in crisis and safeguarding employment, proving that worker participation could serve as an effective path to economic stability.”

II. The Worker-Owned Limited Company as an Entity of the Social Economy under the 1986 Law: Special Reference to Worker Participation

María Soledad Fernández Sahagún

Assistant Professor in Labour Law
University of Valldolid

Objective

This chapter examines the legal and conceptual foundations of the Worker-Owned Limited Company (Sociedad Anónima Laboral, SAL) as defined by Law 15/1986, focusing on its recognition as a Social Economy entity and on the mechanisms that ensure the participation of workers in ownership and management. The author analyses how this legal form, originally conceived to save jobs in companies threatened by closure, evolved into a stable model for promoting worker participation in enterprise ownership and governance.

Key ideas

Law 15/1986 formalised the Sociedad Anónima Laboral as a specific type of capital company in which at least 51 per cent of the share capital must belong to full-time, permanent worker-shareholders, none of whom may hold more than 25 per cent of the total capital. The company must be certified by the Ministry of Worker-Owned and registered in the Administrative Register of Worker-Owned Companies. This legal structure sought to reconcile entrepreneurial efficiency with social objectives, giving substance to Article 129.2 of the Spanish Constitution, which mandates public authorities to facilitate workers' access to the means of production.

The 1986 law responded to the economic context of the early 1980s, when many industrial firms faced bankruptcy. By granting legal recognition and specific financial incentives to worker-owned enterprises, it offered a framework for business continuity, employment protection, and democratic participation. The chapter underlines that these companies, though formally capital-based, were distinguished by their social orientation and collective ownership. Their dual nature—capitalist in form, social in function—placed them firmly within the emergent concept of the Social Economy.

The author traces the institutional evolution of this recognition. The creation of the National Institute for the Promotion of the Social Economy (INFES) by the 1990 Budget Law represented the first explicit reference to the Social Economy at national level, listing cooperatives, Worker-Owned companies and Worker-Owned foundations as its core entities. Subsequent developments—including the establishment of the Council for the Promotion of the Social Economy (1999) and, finally, Law 5/2011 on the Social Economy—consolidated the SAL's position within this sector. Regional statutes in several Autonomous Communities further strengthened this legal recognition, reflecting the territorial diffusion of the model.

Within the legal framework of the 1986 Law, several mechanisms promoted worker participation: preferential rights for employees to acquire shares, restrictions on share transfers to non-workers, and the obligation to maintain majority worker control. These provisions aimed to preserve the participatory and democratic nature of the company, preventing external capital from diluting worker ownership. The author also analyses the legal relationship between the worker-shareholder and the company, highlighting its hybrid character—combining elements of employment and

partnership law—and the implications this has for Worker-Owned rights and corporate governance.

Conclusions / Contributions

The chapter concludes that the 1986 Law marked a decisive turning point in the institutionalisation of worker participation in Spain. By granting Worker-Owned Companies a clear legal status and integrating them into the broader Social Economy, it created a bridge between economic efficiency and social purpose. The law demonstrated that employee ownership could serve as a viable strategy for business recovery, innovation and employment stability. It also laid the groundwork for later reforms, notably Law 4/1997 and Law 5/2011, which extended the model to limited-liability forms and reinforced its recognition as a central pillar of the Spanish Social Economy.

“The Worker-Owned Company embodied the constitutional mandate to promote workers’ access to the ownership of production, transforming a mechanism of crisis response into a lasting model of participatory enterprise.”

III. Financing Worker-Owned-Led Business Succession Projects

Gustavo Lejarriaga Pérez de las Vacas

Associate Professor of Financial Economics
Complutense University of Madrid

Paloma Bel Durán

Associate Professor of Financial Economics
Complutense University of Madrid

Sonia Martín López

Assistant Professor Doctor in Financial Economics-
Complutense University of Madrid

Javier Iturrioz del Campo

Associate Professor of Financial Economics
CEU San Pablo University

Objective

This chapter analyses the financial mechanisms that have supported the creation and consolidation of *Sociedades Laborales* (Worker-Owned Companies) in Spain, with particular attention to the financing of business succession processes led by workers. It explores the historical evolution of financial instruments—from public credit funds to venture capital and guarantee schemes—that have enabled workers to acquire and stabilise enterprises, thereby ensuring the continuity of employment and production.

Key ideas

The authors trace the origins of financial support for Worker-Owned Companies to the National Worker-Owned Protection Fund (*Fondo Nacional de Protección al Trabajo*, FNPT), established in 1960 to provide low-interest loans to workers for cooperative and associative initiatives. In the early years, these loans financed the acquisition of companies facing closure, allowing workers to collectively assume ownership under the Worker-Owned Company form. The FNPT thus became the first major public policy tool to channel financial resources toward participatory business models.

A decisive milestone came with the introduction of the “single payment” scheme for unemployment benefits (*pago único de la prestación por desempleo*). This measure allowed unemployed workers to capitalise their entire unemployment entitlement in a lump sum in order to contribute it as share capital to a newly formed Worker-Owned Company. The authors emphasise the critical impact of this mechanism: it provided liquidity for start-up and rescue operations, reduced dependency on external financing, and significantly expanded the number of Worker-Owned Companies created from the 1980s onwards.

The chapter reviews additional instruments that supported the model’s financial sustainability. Among them, participative loans (*préstamos participativos*) offered flexible repayment terms linked to business performance, enabling companies to finance innovation and growth without compromising their cooperative ownership structure. Venture capital funds were later introduced to support the scaling of mature Worker-Owned Companies, though their use remained limited due to the inherent tension between external investors’ expectations and the principle of worker control.

To complement these instruments, mutual guarantee societies (*Sociedades de Garantía Recíproca*) played an essential role in facilitating access to bank credit. By providing collective guarantees, they reduced the individual risk borne by worker-shareholders and encouraged financial institutions to lend to participatory firms. Together, these mechanisms—public credit, unemployment capitalisation, participative loans, venture capital, and mutual guarantees—constituted a multi-layered financing ecosystem tailored to the specific needs of worker-owned enterprises.

Throughout the analysis, the authors highlight the dual purpose of these financial tools: to sustain business continuity and to promote democratic ownership. By easing access to capital for workers, these instruments turned the Worker-Owned Company

into a practical vehicle for implementing the constitutional principle of shared economic participation.

Conclusions / Contributions

The chapter demonstrates that the availability of appropriate financial mechanisms has been a decisive factor in the survival and growth of Worker-Owned Companies. Public credit programmes, social finance instruments and unemployment capitalisation transformed worker buyouts from isolated cases into a structured policy for employment preservation. The combination of financial innovation and institutional support enabled thousands of workers to become business owners, linking the objectives of economic efficiency, social cohesion, and territorial resilience. The authors conclude that maintaining and adapting these financial tools to current economic conditions is essential for the long-term sustainability of the Worker-Owned Company model.

“The single-payment system of unemployment benefits became one of the most effective instruments for promoting worker ownership, turning social protection into productive investment.”

IV. The First Worker-Owned Limited Companies in Catalonia

Armand Vilaplana Masnou

Master's Degree in Contemporary History

University of Barcelona

Former President of FESALC.

Objective

This chapter reconstructs the emergence of the first *Sociedades Anónimas Laborales* (Worker-Owned Limited Companies) in Catalonia, situating their development within the broader political and economic transformations of Spain's late dictatorship and democratic transition. The author examines the regional context that favoured the appearance of these enterprises, analyses several early case studies, and assesses their contribution to the consolidation of the Worker-Owned Company model as a viable form of social enterprise.

Key ideas

The chapter opens with an overview of Catalonia's socio-economic environment during the 1960s and 1970s, a period marked by industrial modernisation, rising Worker-Owned conflict, and the first experiments in participatory management. In this context, the Worker-Owned Company formula provided a practical response to the crisis of numerous small and medium-sized industrial firms, particularly in the textile, metal, and transport sectors.

The author highlights that the creation of these early companies coincided with the transition to democracy, when new political freedoms allowed workers and trade unions to organise collectively around the idea of retaining jobs and preserving productive capacity. The involvement of the Ministry of Worker-Owned and local authorities was often crucial, both in legalising the entities and in providing financial and technical support through the National Worker-Owned Protection Fund.

The case studies presented include pioneering Catalan enterprises that adopted the *Sociedad Anónima Laboral* form in the late 1970s and early 1980s. These companies emerged as direct responses to factory closures or restructurings and were typically driven by groups of employees determined to safeguard their livelihoods. The author provides a detailed analysis of their foundation processes, governance structures, and economic results, showing how worker ownership contributed to stabilising employment and restoring profitability.

A key feature of these experiences was the collaboration between workers, trade unions, and local governments. This tripartite cooperation enabled the mobilisation of resources and the adaptation of legal instruments to specific circumstances. The author underlines that the Catalan examples demonstrated the feasibility of collective ownership under a corporate legal framework and served as a reference for similar initiatives across Spain.

The chapter concludes with a quantitative and qualitative assessment of the data collected from these first experiences, noting that while not all cases succeeded economically, their symbolic and institutional significance was decisive. They provided the practical precedents that would later underpin the legislative formalisation of the model in Law 15/1986.

Conclusions / Contributions

The Catalan experience represents a foundational moment in the history of Worker-Owned Companies. By transforming crises into opportunities for worker empowerment, these early cases validated the model's economic and social potential. They proved that collective ownership and professional management could coexist within a competitive market environment. The author concludes that these enterprises not only preserved employment during a period of profound industrial restructuring but also contributed to shaping a new business culture based on solidarity, participation, and territorial commitment.

“The first Worker-Owned Companies in Catalonia demonstrated that worker ownership could emerge not from ideology but from necessity—and, in doing so, laid the groundwork for a new form of democratic enterprise.”

V. Worker-Owned Companies in Catalonia: The Case of TUSGSAL

Eloi Serrano Robles

Director of the Chair in Social Economy and Permanent Faculty Member
Department of Business
TecnoCampus–Pompeu Fabra University

Miguel Guillén Burguillos

Researcher at the Social Economy Chair and Associate Lecturer
Department of Business
TecnoCampus–Pompeu Fabra University

Objective

This chapter analyses the development of *Sociedades Laborales* (Worker-Owned Companies) in Catalonia, focusing on TUSGSAL (*Transportes Urbans y Serveis Generals, Sociedad Anónima Laboral*), one of Spain's most emblematic worker-owned enterprises. It examines the historical context of the region's Worker-Owned Companies, the social and economic dynamics that enabled their consolidation, and the specific trajectory of TUSGSAL as a model of participatory governance, social responsibility, and business resilience.

Key ideas

The authors begin by outlining the evolution of Worker-Owned Companies in Catalonia, tracing their origins to the crisis of the 1970s and 1980s, when industrial restructuring and unemployment spurred the recovery of failing firms by their workers. Catalonia, with its strong cooperative and associational traditions, became a key incubator for such initiatives. Worker-Owned Companies emerged primarily in manufacturing and public-service sectors, combining entrepreneurial discipline with democratic ownership structures.

TUSGSAL's origins date back to 1986, when the employees of the former private operator of Badalona's urban bus service took control of the company following its bankruptcy. They transformed it into a *Sociedad Anónima Laboral*, ensuring continuity of service, safeguarding jobs, and creating one of the earliest examples of a large-scale worker-owned transport company in Spain. The authors reconstruct this process in detail, emphasising the decisive role of local authorities, trade unions, and the regional administration in providing legal, financial, and logistical support.

Over the decades, TUSGSAL has evolved from a rescue initiative into a consolidated enterprise and a regional benchmark in collective management. Its governance model combines professionalised management with democratic participation: strategic decisions are taken collectively by the assembly of worker-shareholders, while day-to-day operations are led by elected executives accountable to them. This dual system, balancing efficiency and participation, has enabled sustained growth, diversification of services, and strong Worker-Owned relations.

The company's success illustrates the economic viability of the Worker-Owned Company model under competitive market conditions. The authors provide data showing how TUSGSAL has expanded its workforce, modernised its fleet, and improved its profitability while maintaining its founding principles. The enterprise has also embraced corporate social responsibility and environmental sustainability as integral components of its business strategy, aligning itself with contemporary European standards of public service and sustainable mobility.

In a broader perspective, TUSGSAL exemplifies how worker-owned enterprises can contribute to territorial development and community well-being. The company has maintained a close relationship with the municipality of Badalona and the metropolitan area of Barcelona, demonstrating that Worker-Owned Companies can

successfully combine public service provision, social innovation, and democratic governance.

Conclusions / Contributions

The TUSGSAL case confirms the capacity of Worker-Owned Companies to achieve economic success while preserving their social mission. It demonstrates that collective ownership and efficient management are not contradictory but mutually reinforcing when supported by a strong participatory culture. The authors conclude that TUSGSAL's evolution—from a local recovery effort to a stable, innovative enterprise—symbolises the maturity of the Worker-Owned Company model in Spain and its ability to adapt to contemporary challenges such as sustainability, digitalisation, and urban mobility.

“TUSGSAL stands as proof that worker-owned enterprises can deliver efficiency, innovation, and public value, uniting economic performance with democratic participation.”

Part II.

Chronicles and Experiences

Introduction to Part II: “Chronicles and Experiences”

Part II of this volume differs in both purpose and composition from the analytical chapters that precede it. Whereas Part I offered a historical and conceptual study of the Worker-Owned Company model, Part II gathers a wide range of personal accounts and institutional testimonies that together form the living memory of the movement. These narratives—written by founders, leaders, and regional organisations—reveal the human, political, and associative dimensions of four decades of collective enterprise building.

Given the diversity and unequal length of these contributions, a chapter-by-chapter executive summary would fragment their meaning. Instead, the following synthesis organises the material into four thematic sections, each reflecting a key aspect of the historical process:

1. **Institutional memory and organisational origins**, tracing the formation of the first federations and national coordination mechanisms.
2. **Regional networks and development models**, describing how the Worker-Owned Company model took root in different Autonomous Communities.
3. **Personal testimonies and leadership narratives**, highlighting the motivations, values, and lessons of the pioneers.
4. **The consolidation of LABORPAR and the contemporary stage**, focusing on the renewal of strategy, representation, and public visibility.

Each thematic summary maintains the same structure used in Part I—Objective, Key ideas, Conclusions/Contributions, and Highlighted quote—but adopts a more narrative tone consistent with the testimonial character of this section. Together, these summaries aim to preserve the richness of individual experience while providing an integrated view of the collective evolution of the Worker-Owned Company movement.

Autors in this part:

Sebastian Reyna Fernandez

Director-General for Cooperatives and Worker-Owned Companies at the Ministry of Labour, 1982-1989.

UGT Federal Executive Committee Member, 1990-1998.

Jose txo Hernandez Ducabeitia

Founder and first Managing Director of ASLE. Basque Country.

Julian Menendez Moreno

Managing Director of ASALMA Madrid.

Juan Toledo Lucas

Former President of AMUSAL. Murcia.

Juan Pedro Sanchez

Former Managing Director of AMUSAL. Murcia.

Ruperto Iglesias Garcia

Founder and President of ASATA (Asturias) and CONFESAL.

Francesc Abad

Fouder of FESAL-País Valenciano.

Former Managing Director of CONFESAL.

Armand Vilaplana Masnou

Master's Degree in Contemporary History University of Barcelona

Former President of FESALC.

Daniel Blanquer Maset

First Managing Director of CONFESAL

Gallery



Constitutive Meeting of COFESAL

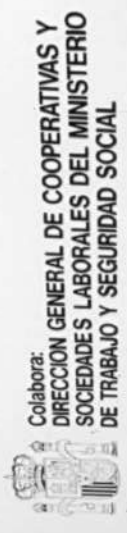
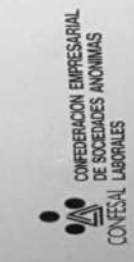


COFESAL Assembly 1987

II ASAMBLEA GENERAL

La Nueva Cultura Empresarial

MADRID 28 Y 29 DE JUNIO 1989



Apolinar Rodríguez (UGT) addressing the II CONFESAL General Assembly



Javier Varel de la Sota and Daniel Blanquer



II CONFESAL Assembly



Meeting with SL representatives - 80's

Daniel Blanquer and Sebastian Reyna among others at the inauguration of CONFESAL first headquarters at Fuencarral Street, Madrid





Josetxu Hernández and Enric Moltó (FESALC)



Juan Toledo, Ruperto Iglesias and Daniel Blanquer



Current headquarters of DEBA SAL screws factory



Visit card of BOCACCIO, iconic venue in Madrid that Oriol Regas rented to his employees that established a Worker-Owned company.



ASLE 35th anniversary



Ruperto Iglesias, Benito Giroti, Josetxo Hernández, Juan Pedro Sánchez and Encarna Sánchez

1. Institutional Memory and Organisational Origins

Objective

This section reconstructs the formation of the first organisations representing *Sociedades Laborales* (Worker-Owned Companies) in Spain and examines the processes that led to the creation of a coordinated national structure. It covers the emergence of pioneering regional federations—ASLE, ANEL, ASATA, and ASALMA—and the establishment of CONFESAL as their common platform. The objective is to highlight how institutional cooperation, legal advocacy, and social dialogue turned an initially dispersed movement into a recognised actor within the Spanish Social Economy.

Key ideas

The narratives gathered in this section emphasise that the institutionalisation of the Worker-Owned Company movement was not the result of a predefined plan, but of pragmatic cooperation among regional initiatives facing similar challenges. In the late 1970s and early 1980s, as workers began to take over failing enterprises, they needed legal advice, access to credit, and political visibility. The first federations emerged organically to provide such support, often linked to trade unions and regional administrations sympathetic to participatory enterprise.

The Basque Country played a pioneering role through ASLE (*Asociación de Sociedades Laborales de Euskadi*), founded in 1982, which combined business consultancy, training, and representation. Its experience became a reference for other regions, notably Navarre, where ANEL (*Asociación de Empresas Laborales de Navarra*) was created soon after, and Asturias, where ASATA contributed to the recovery of industrial firms affected by restructuring. In Madrid, ASALMA acted as a bridge between local initiatives and national policymaking, promoting legal reforms and public visibility.

The growing interaction among these federations led to the formation of a permanent coordination mechanism, culminating in the establishment of CONFESAL (*Confederación Empresarial de Sociedades Anónimas Laborales de España*) in 1987. CONFESAL became the voice of Worker-Owned Companies at the national level, ensuring their participation in institutional dialogues with the Ministry of Worker-Owned and the early Social Economy councils. Its creation marked a milestone: the transition from scattered regional movements to a unified sectoral identity with national recognition.

Beyond legal representation, these organisations fostered a shared culture of cooperation and mutual learning. They professionalised management practices, established advisory services, and initiated collective training programmes that strengthened the viability of member enterprises. Over time, this network laid the groundwork for the modern institutional ecosystem that would later evolve into LABORPAR, the current national federation.

Conclusions / Contributions

The testimonies in this section demonstrate that institutional organisation was a decisive factor in transforming the Worker-Owned Company model from an emergency response into a sustainable system of democratic enterprise. The creation of regional associations and, subsequently, of CONFESAL, ensured political recognition, access to resources, and a permanent channel of dialogue with public authorities. This phase represents the passage from experimentation to consolidation, from isolated worker initiatives to a structured movement capable of influencing public policy and shaping the broader Social Economy in Spain.

“What began as a spontaneous effort to preserve jobs became, through organisation and cooperation, a lasting institutional framework for economic democracy.”

2. Regional Networks and Development Models

Objective

This section analyses how the *Sociedades Laborales* (Worker-Owned Companies) model expanded and diversified across Spain's Autonomous Communities, focusing on the experiences of regional federations such as AMUSAL (Murcia), ASALCYL (Castilla y León), and other territorial organisations. It explores how these federations adapted the model to their specific economic contexts, built partnerships with public administrations, and developed policies and support structures that linked the Worker-Owned Company model to regional development strategies.

Key ideas

The testimonies reveal that the success of the Worker-Owned Company model depended not only on its legal framework but also on its ability to embed itself in regional economies. From the late 1980s onwards, many Autonomous Communities established local development policies that recognised participatory enterprises as instruments for job creation, business recovery, and social cohesion. In this context, regional federations acted as intermediaries between enterprises, public institutions, and the broader ecosystem of the Social Economy.

In Murcia, the creation of AMUSAL (*Asociación de Empresas Laborales de la Región de Murcia*) exemplified how a regional organisation could integrate technical assistance, training, and financial intermediation. AMUSAL collaborated with the regional government to design specific programmes for the transformation of failing firms into Worker-Owned Companies and to support entrepreneurship through self-employment initiatives. This partnership model became a reference for other territories and contributed to the institutional maturity of the movement.

In Castilla y León, ASALCYL played a crucial role in promoting Worker-Owned Companies in rural areas and small towns affected by depopulation and industrial decline. By linking the model to regional concerns such as territorial cohesion and generational renewal, ASALCYL demonstrated the capacity of Worker-Owned Companies to function as tools of balanced development and resilience. Its initiatives included advisory services, awareness campaigns, and collaboration with local administrations to foster community-based entrepreneurship.

Other regional organisations followed similar paths, establishing networks of technical offices, training centres, and partnerships with universities and chambers of commerce. These structures not only supported the creation of new Worker-Owned Companies but also improved their managerial capacities and access to innovation. Collectively, the regional federations became laboratories of socio-economic experimentation, adapting the model to diverse territorial realities—from industrial areas to rural economies and service sectors.

The section also highlights the growing recognition of these federations by regional governments, which incorporated the Worker-Owned Company model into strategic

plans for employment, innovation, and the Social Economy. This alignment reinforced the visibility and institutional stability of the sector, consolidating its legitimacy within regional policy frameworks.

Conclusions / Contributions

The regional expansion of the Worker-Owned Company model demonstrates its adaptability and its contribution to inclusive territorial development. Through the work of federations such as AMUSAL and ASALCYL, the model evolved from a legal formula into an integrated system of business support, training, and innovation. The regional dimension provided proximity to enterprises and responsiveness to local needs, ensuring that the principles of participation and shared ownership could translate into practical economic outcomes. The authors of these testimonies underline that regional cooperation was—and remains—a decisive factor in the long-term sustainability of the movement.

“Each region gave the Worker-Owned Company its own accent, proving that participation and local development can speak the same language.”

3. Personal Testimonies and Leadership Narratives

Objective

This section compiles first-hand accounts from individuals who played a decisive role in the creation, consolidation, and promotion of *Sociedades Laborales* (Worker-Owned Companies). It seeks to capture the personal dimension of the movement—the motivations, values, and convictions that sustained it through moments of uncertainty and transformation—and to reflect how individual leadership and collective commitment intertwined in the construction of a democratic business culture.

Key ideas

The testimonies reveal that the origin and endurance of the Worker-Owned Company model are inseparable from the dedication of people who believed in the possibility of combining entrepreneurship with solidarity. Many of these individuals emerged from the industrial and cooperative movements of the late 1970s and 1980s, when economic crises and company closures forced workers to assume responsibility for their own future. Their narratives convey not only the material effort involved in rescuing enterprises but also the emotional and ethical commitment required to maintain them as shared projects.

A recurring theme is the transformative nature of participation. Founders, managers, and technical advisors alike describe how becoming co-owners changed the relationship between workers and their enterprise, fostering a sense of collective identity and mutual accountability. This shift was not merely economic but also cultural: it challenged traditional hierarchies and introduced new forms of decision-making based on deliberation and consensus.

Several accounts emphasise the learning-by-doing process that accompanied the early years of the movement. In the absence of precedents, workers, trade unionists, and local officials had to invent mechanisms of governance, adapt legal frameworks, and develop business skills collectively. This period was characterised by improvisation, creativity, and resilience — qualities that later became hallmarks of the Worker-Owned Company ethos.

Leadership, as portrayed in these narratives, was rarely hierarchical. Many protagonists describe their role as one of coordination, mediation, and service rather than authority. The success of the model depended on this type of participatory leadership, which prioritised the cohesion of the group and the sustainability of the enterprise over individual recognition. At the same time, personal conviction and perseverance were crucial to navigating bureaucratic and financial obstacles during the formative decades.

The section also reflects on generational continuity. Several contributors call for renewed leadership and intergenerational dialogue to preserve the founding principles while adapting them to contemporary challenges such as digitalisation, environmental transition, and new Worker-Owned relations. The movement's future, they argue, depends on its ability to attract younger generations who see in the Worker-Owned Company not a historical exception but a forward-looking alternative.

Conclusions / Contributions

These personal accounts demonstrate that the history of Worker-Owned Companies is, above all, a history of people and collective learning. They show that the model's endurance cannot be explained solely by legislation or public policy, but by the shared conviction that democratic participation in enterprise is both economically viable and socially meaningful. The testimonies offer a narrative of moral continuity across decades: from the struggle to save jobs to the aspiration to redefine the relationship between work, ownership, and community. Together, they preserve the human dimension that gives substance to the institutional achievements described in previous chapters.

“Behind every Worker-Owned Company there is not only an economic story but a human decision: the choice to work together, to own together, and to build a future in common.”

4. The Consolidation of LABORPAR and the Contemporary Stage

Objective

This section examines the most recent phase in the evolution of *Sociedades Laborales* (Worker-Owned Companies): the transformation of their national representative structure, the emergence of LABORPAR, and the redefinition of the movement's strategic role in Spain's Social Economy and European policy framework. It aims to explain how the sector has modernised its institutional presence, renewed its agenda, and positioned itself as a key actor in the debates on sustainable development, employment, and corporate democracy.

Key ideas

The consolidation of LABORPAR marks the culmination of a long process of organisational adaptation. Following decades of coordination through CONFESAL, the need arose to create a renewed structure capable of responding to new economic and political challenges. LABORPAR, the *Federación Empresarial de Sociedades Laborales y Participadas de España*, was established to represent both *Sociedades Anónimas Laborales* and *Sociedades Limitadas Laborales*, integrating their diverse regional federations under a single national framework. Its creation signified continuity with the historical legacy of CONFESAL, but also a generational and strategic renewal oriented toward innovation, visibility, and influence.

The narratives included in this section underline that LABORPAR's mission goes beyond representation. It seeks to strengthen the identity of Worker-Owned Companies within the broader Social Economy by emphasising their specific characteristics: participatory governance, collective ownership, and local anchorage. This identity is framed not as a nostalgic reference but as a living practice aligned with contemporary priorities such as digital transformation, green transition, and the democratisation of business ownership.

LABORPAR's consolidation has coincided with a renewed dialogue with public authorities, both at the national and European levels. The federation has actively contributed to the implementation of Law 5/2011 on the Social Economy, to policy discussions on business succession, and to advocacy for fiscal and financial measures supporting worker buyouts. Its participation in the *Confederación Empresarial Española de la Economía Social* (CEPES) has further strengthened its visibility and integration into the institutional architecture of the Social Economy.

The section also highlights the growing relevance of the “participated enterprise” concept, reflecting the evolution of the Worker-Owned Company model toward hybrid forms of ownership that combine employee participation with other social or institutional investors. This expansion demonstrates the flexibility and resilience of the model, capable of adapting to complex ownership structures without losing its democratic essence.

In the contemporary stage, communication and awareness have become strategic priorities. LABORPAR promotes dissemination campaigns, research studies, and training initiatives aimed at reinforcing public understanding of the model and encoura-

ging its replication. The federation also plays a key role in inter-regional cooperation, knowledge exchange, and international dialogue, positioning the Spanish experience within European debates on shared capitalism and social innovation.

Conclusions / Contributions

The emergence of LABORPAR represents both continuity and transformation. It consolidates four decades of organisational experience while adapting to the challenges of a new socio-economic context. Through strategic advocacy, research, and communication, LABORPAR has revitalised the institutional presence of Worker-Owned Companies and reaffirmed their contribution to sustainable and inclusive growth. The section concludes that the future of the model depends on its capacity to remain faithful to its founding principles—worker participation, shared ownership, and democratic governance—while evolving within the broader dynamics of the Social Economy and the European agenda for social innovation.

“LABORPAR embodies the maturity of the Worker-Owned Company movement: the capacity to evolve without losing its essence, to innovate without renouncing participation, and to turn history into strategy.

Concluding Note

The trajectory of the *Sociedades Laborales* (Worker-Owned Companies) illustrates how economic democracy can evolve from necessity into policy, and from policy into culture. Over four decades, these enterprises have demonstrated that worker participation is not merely a social aspiration but a practical mechanism for competitiveness, innovation, and territorial resilience. Their endurance reflects a balance between collective values and managerial professionalism, between local identity and national coordination.

As Spain and Europe face new transitions — digital, ecological, and demographic — the Worker-Owned Company model offers lessons of continuity and adaptation. It shows that enterprises rooted in shared ownership and mutual responsibility can respond to change without losing their social purpose. The legacy of this movement is not confined to its history; it is an open invitation to imagine the future of work and enterprise through the lens of participation and solidarity.

