

## **CIRIEC-Venezuela, activities 2012-20141** **Report of activities carried out by CIRIEC-Venezuela.**

1.Organizational matter. The present Board of Directors will continue up to end 2015.

Board of CIRIEC Venezuela for the period 2012-2014 extended up to 2015.

President: Mario Fagiolo. University of Oriente (UDO)

Secretary: Fernando Aponte. Universidad Bolivariana de Venezuela (UBV)

Treasurer: Benito Díaz. University of Los Andes (ULA)

Research Director: Ali Rosario. University of Los Andes (ULA)

Vocal: Leonardo Argüello. University of los Andes (ULA)

Deputy: Alberto García Müller. University of Los Andes (ULA)

Deputy Commissioner: Emilio Chirinos. University of Zulia (LUZ)

Commission of Public Economics: Benito Díaz (Main), Ramón Lameda, Alberto García Müller, Ángel Higuerey and Leonardo Argüello

- Commission of Social Economy: Mario Fagiolo (Main) and Emilio Chirinos
- Documentation and Information: Benito Díaz (Main), Ernesto Guevara and Zuheidy Leal

2. Institutional working links. The most important working links of CIRIEC-Venezuela are related to the support set with the University of Los Andes (ULA) and the Oriente Technology Park Corporation (CPTO). So that our existence is acknowledged mainly in academic environments and to a lesser extend our work is related to actors of social economy, although some colleagues have close relationships with social economy organizations, specially cooperatives, credit unions and communal councils. The main institutional support received by CIRIEC-Venezuela comes from ULA. This includes the availability of a seat (leaning on the Research Center for Integral Sustainable Development-CIDIS and Master Course of Regional Development), a website ([www.saber.ula.ve/ciriec](http://www.saber.ula.ve/ciriec)) an institutional e-mail account ([ciriec@ula.ve](mailto:ciriec@ula.ve)), and the availability of the ULA repository to host our journal Cayapa ([www.saber.ula.ve/cayapa](http://www.saber.ula.ve/cayapa)).

Since 2010 we have established partnerships with the Oriente Technology Park Corporation (CPTO) and the University of Oriente (UDO), and together we have prepared two proposals for Diploma courses on

<sup>1</sup> Reproducimos copia del reporte de actividades que CIRIEC-Venezuela presentó en ocasión del Congreso Internacional CIRIEC realizado en Buenos Aires, Argentina, 2014.

Cooperatives and Social Economy, but they have not been materialized due to budgetary constraints. In 2012 we decided to develop courses in a virtual environment, to host a blended learning version of the Diploma and a new Graduate project: "Management of Social and Communal Economy", with the approval of ULA and support from CPTO. In this sense, the training of our lecturers at the headquarters of the Centre for Interactive Distance Learning (CEIDIS) of ULA started in Mérida city, however it did not continue and remain as an unfinished academic business.

3. Situation of research projects in the national context. In 2013 we wrote a project about reinforcement of the incubator of CPTO for Cumaná city and Margarita Island, which was submitted to the Ministry of Science and Technology requesting financial support and got the approval for funding in september 2013 but the money granted has not yet been received. In the same way we wrote a project in order to strengthen CAYAPA which was approved for funding by the Ministry of Science and Technology but the money granted was not paid up to at the present time. Formerly we had received funds for projects from the Ministry but they have changed their priorities and procedures for funding projects which do not favour autonomous criteria following scientific principles and instead they request political ideology alignment in research projects.

Early 2014 we presented a teaching project to set up a postgraduate course at the University of Oriente in Margarita Island, devoted to links between social economy and environment, which was accepted by UDO and is still pending for approval by the Ministry of Universities. The project includes the creation of a specialized section of social economy in the UDO University Library jointly with the Postgraduate course on Tourism.

Upon request of the Planning Office of the Government of Nueva Esparta we submitted a proposal for training of Community Councils leaders in Margarita Island for 2013 and 2014, which were accepted but could not be carried out because they were not funded.

The failure in such academic projects is mainly due to lack of funding as a result of two main causes: On the one hand, the Venezuelan Government changed in 2011 the Law on Science, Technology and Innovation (LOCTI), which formerly could be accessed in order to get financial support for academic projects from all over the country, and now on it is only centralized at the national fund for the ministry of Science, Technology and Innovation in Caracas city. On the other hand the Venezuelan government reduced the budget of public universities by 6% due to economic problems in the country and as a result the universities reduced their budget for research and scientific publications. At the same time the inflation rate started to grow up while the budget of public

universities was frozen (“reconducido”), which became in the context for increasing discomfort and demonstrations leading up to several university strikes supported by several universities unions. In 2013 and 2014 several strong university strikes spread on public universities which ended with a new agreement signed covering all the university staff, however the research and scientific publications continue quite weakened. As a result several scientific publications have been delayed in public universities.

4. Editing of CAYAPA Venezuelan Journal of Social Economy. With support from the University of Los Andes (ULA), we maintain the effort to keep up with the highest possible standards the biannual journal that - to date - has reached N° 26, corresponding to the 2nd semester of 2013. Edition No. 27, of the 1st semester of 2014, is currently being edited ([www.saber.ula.ve/cayapa](http://www.saber.ula.ve/cayapa)). Next year CAYAPA will arrive to the XV anniversary and we are currently thinking about a research project in order to support CAYAPA as a mean for contributing to improve the performance of social economy leaders and scholars. By that we have asked to the organizers of the 5th CIRIEC International Research Conference on Social Economy in Lisbon 2015 to include a new subtheme and a new workshop: The role of scientific publications in the promotion of Social Economy in a broad perspective, which has been accepted.

5. Participation in the 4th CIRIEC International Research Conference on the Social Economy (2013): A couple of proposals were sent. One was about the situation of American water industry from the perspective of efficiency measurement, by Angel HIGUEREY GÓMEZ, Lourdes TRUJILLO CASTELLANO y Maria Manuela GONZÁLEZ SERRANO. The other one was about social economy organizations in agribusiness and tourism related to innovation and incubation programs in two broad regions by Benito DIAZ, Mario FAGIOLO, Leonardo ARGÜELLO, Fernando APONTE and Angel HIGUEREY. Also Prof. Benito Díaz participated in the 4th CIRIEC International Research Conference on the Social Economy as a Member of the Scientific Committee. However we could not find financial support to get the airplane tickets to go there, although the first project ended up as doctoral dissertation by Angel Higuerey while the second one became part of the project about reinforcement of the incubator of CPTO.

6. Research in universities: More than 90% of the public universities budget is devoted to pay current labor costs and less than 10% is allocated for funding research and scientific publications and dissemination of results. After the government reduced the public universities budget by 6%, the funds for research and publications were reduced. So that the main limitation to undertake broader research national or sectorial is the lack of funding, nevertheless some colleagues have been able to get some small grants or allowances from their universities. For instance, Prof. Mario

Fagiolo is developing a doctoral thesis at the Centre for Development Studies (CENDES-UCV), Central University of Venezuela, on the subject of "The praxis of the third sector economy of Venezuela, as a contribution to the Theory of Social Economy from 1990 to present. A Case Study", which will be submitted in 2015. Prof. Dorkys Shephard is currently working for her doctoral thesis on communal coins at the University Simón Rodríguez. As well as Prof. Emilio Chirinos and colleagues from the Bolivarian University are working on a research project about how is it perceived the local management of public services by the communal councils in Maracaibo city.

7. Short Training Workshops about "Management of Credit Unions", taught by Prof. Alberto García Müller, were conducted in the cities of Mérida, Punto Fijo and San Cristobal, in order to contribute to increased efficiency in this kind of helpful social economy organizations.

8. To celebrate the International Year of Cooperatives, a Conference on Social Economy and Local Development" was held on April 30th 2012 in the premises of the University of Los Andes in Trujillo city.

9. Participation on the XIV researchers on social economy national conference of CIRIEC-Spain, in the Basque Country, June 2012. Prof. Mario Fagiolo presented the progress of the research project "The praxis of the third sector economy of Venezuela, as a contribution to the Theory of Social Economy from 1990 to present. A Case Study", while Prof. Dorkys Shephard presented a communication on "Complementary Currencies: Emergence and Innovation".

10. Organization of the XII National Symposium of CIRIEC-Venezuela, under the Annual Convention of the Venezuelan Association for the Advancement of Science (ASOVAC) on November 2012 in Caracas city. We have not organized a new academic event like this because they have changed the norms and do not allow us to charge fees to participants and as result we cannot afford the costs. This was our main source of funding for CIRIEC-Venezuela.

11. Participation in the AGORA – CIRIEC Kiosk project and in the Working group SSE and Territories: between interaction and co-construction. We think that it could be an important way for exchange with colleagues and disseminations of results. We would like to invite others Venezuelan colleagues to take part in this interesting project, of course if you agree on that and the corresponding passwords are provided. Regarding the chapter on the book by this working group, we are currently preparing our contribution, with jointly efforts by Angel Higuerey, Mario Fagiolo, Leonardo Argüello, Fernando Aponte and Benito Díaz..

12. Financial matter. CIRIEC-Venezuela has paid the due national section annual contribution up to 2012 in US\$. For 2013 we cannot pay such quantity of €3000 because we do not have such amount of money and because regulations enforced by the Venezuelan government for payments in foreign currencies it is quite hard to accomplish, of which we had talked before. In Venezuela it is difficult to get US\$ and it is more difficult and expensive to get euros. We would like to pay in euros or in US\$ if we could earn in US\$ or in euros. There are three exchange rates at the same time nowadays and restrictions to get to any of them. We really wish to settle down this matter in a suitable way for both of us. To show you what is like the exchange rates we copy official rates below. If we get US\$ to get euros we have four options whose prices are quite different. Moreover, no one is allowed to spend more than US\$ 300 per year at official rates and to do so a bureaucratic procedure has to be followed up. This situation has also affected negatively the sales of airplane tickets for Venezuelan citizen, leading to unbelievable situations like this: Colleagues from CIRIEC-Argentina offered to us the solidarity payment of the airplane tickets to go to Buenos Aires but they could not be able to buy the tickets due to restrictions imposed by the government.

Current Exchange Rate	Face value in Bolívar Fuerte (BsF)
CENCOEX	<b>1 US\$ = 6.3 BsF</b>
SICAD	<b>1 US\$ = 13 BsF</b>
SICAD II	<b>1 US\$ = 49.98 BsF</b>
MARKET 1	<b>1 US\$ = 100 BsF = 718 BsF</b>

13. Participation in the 30<sup>th</sup> CIRIEC International Congress and the future ahead. The CIRIEC-Venezuela delegates could not attend the meeting due to scarcity of tickets, lack of funds and as a result of wrong measures of exchange control imposed by the Venezuelan government. However we wish all the best to all our participating colleagues in Buenos Aires. We really appreciated the efforts made by the organizers of the Congress and the kindness addressed to us trying to enhance the opportunities for traveling there.

Regarding the case of Prof Alberto Garcia Muller, he is still a member of CIRIEC-Venezuela although he has been engaged in a strong collaboration link with CIRIEC-Colombia. By that he could become a member of the CIRIEC-Colombia delegation and we are happy with his participating role.

We would like to stress that we are sorry about not to be able to go and to participate as we want. We think that better times and opportunities are still to come and by that we must keep moving forward. We hope we may

continue working together for a better world with improved social economy organizations and collaborative projects within CIRIEC International.

Sincerely yours,

**CAYAPA, Revista Venezolana de Economía Social**

(<http://www.saber.ula.ve/cayapa/>)

Email: [cayapa@ula.ve](mailto:cayapa@ula.ve)

Prof. Mario Fagiolo President of CIRIEC-Venezuela <a href="mailto:mario.fagiolo@gmail.com">mario.fagiolo@gmail.com</a>	Prof. Fernando Aponte Secretary of CIRIEC-Venezuela <a href="mailto:fernandoaponteg@gmail.com">fernandoaponteg@gmail.com</a>
Prof. Benito Diaz Treasurer of CIRIEC-Venezuela <a href="mailto:benitodiazdiaz@gmail.com">benitodiazdiaz@gmail.com</a>	

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<sup>2</sup> Post Scriptum: Current economic situation is worsening. By the time when this CAYAPA issue is going to be printed, inflation rate is higher than 140% and face value of one US\$ at market price is 700% higher than when this Report was duly presented.