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Special issue on the Cooperative Identity - I

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These two special issues of the Review of International Co-operation (Volume 107/2023 and Volume 108/2023) are dedicated to exploring the theme of Cooperative Identity. They comprise a collection of 24 selected research papers, which were initially presented and discussed at the ICA Cooperative Research Conference held from November 28th to 30th, 2021 in Seoul, Republic of Korea. This conference took place as part of the 33rd World Cooperative Congress, which was held in Seoul, Republic of Korea from December 1st to 3rd, 2021.

The papers included in these special issues offer profound insights and reflections on Cooperative Identity, examining it through various thematic lenses such as **Deepening, Diversity, Challenges, Entrepreneurial Innovation, Institutionalisation, and Tools**. Each paper provides an in-depth exploration of Cooperative Identity within these different thematic dimensions, contributing to a comprehensive understanding of this important topic.

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Foreword

As Chair of the Cooperative Identity Committee of the International Cooperative Alliance board of directors, I am pleased and honored to introduce these two volumes of significant contributions to the exploration of our cooperative identity by members of the global cooperative research community.

Imagine the possibility that we, as individual human beings, were unable to establish a sense of our own personal identity in life. We would wander adrift in a world without purpose or self-direction. This unfortunately is the case for too many organizations today.

The Statement on the Cooperative Identity - encompassing as it does a definition of a cooperative and a clear articulation of the cooperative principles and values - is the guiding star of our cooperative movement, allowing local, regional, and global cooperatives to carry forward a unique purpose and calling.

The 33rd Global Cooperative Congress, held in Seoul, Korea in December 2021, offered an in-depth analysis of the many diverse aspects of our cooperative identity. Integral to the Congress was the convening of the Cooperative Research Conference, bringing together scholars and practitioners from across the globe.

I applaud the decision of the editors of the Review of International Co-operation to devote two special issues of the Review of International Co-operation to the topic of Cooperative Identity. The selected research papers that are included in these two issues offer ample evidence that the cooperative way of life is of ever-increasing importance in a world of deepening complexity.

Enjoy the thoughts and challenges contained herein. May they inspire you to spread our cooperative identity and spirit far and wide and to take even greater personal action to benefit people across the globe.

Martin Lowery, Ph.D., Chair of the ICA Cooperative Identity Committee

Introduction

Akira Kurimoto¹ and Hyungsik Eum²

The cooperative model stands out among the various enterprise and organization models due to its unique characteristics. In addition to being a people-centered and value-based organization, one of its notable aspects is that its identity has been defined by cooperatives themselves through their international network, the International Cooperative Alliance (ICA). The most recent edition of this definition is the ICA Statement on the Cooperative Identity, which was adopted in Manchester in 1995 at the 31st World Cooperative Congress. This Statement holds great significance as it outlined the cooperative and ethical values that underpin the principles elaborated by the founders of the cooperative movement. It also provided a clear definition of the cooperative business model and updated the Cooperative Principles to reflect the contemporary features of the movement. Notably, the 7th Principle of Concern for Community was included for the first time, acknowledging the changing world and the role of cooperatives within it.

To examine the implementation and challenges of the Cooperative Identity in today's world, the ICA held the 33rd World Cooperative Congress on the theme of "Deepening our Cooperative Identity" in Seoul, Korea and online on 1-3 December 2021. In preparation for the Congress, the ICA Cooperative Research Conference took place in Seoul and online from November 28-30, 2021. Despite the challenges posed by the COVID-19 pandemic, the conference adopted a hybrid format and organized sessions in two different time zones. While this arrangement attracted numerous contributions, it experienced limited active participation and encountered some technical difficulties. In conjunction with the 3rd International Forum on Cooperative Law held within the same framework, these research events consisted of 62 sessions with a total of 233 presentations delivered by 335 authors and panelists from 47 countries.

¹ Chair, ICA Committee on Cooperative Research.

² Director of research, ICA

To recognize the value of these contributions and contribute to the ongoing discussion on the Cooperative Identity, which is led by the Cooperative Identity Advisory Group, the ICA Committee on Cooperative Research (CCR) decided to publish selected papers as two special issues of the Review of International Co-operation. The editorial team for these special issues on the Cooperative Identity comprises six CCR executive members (Akira Kurimoto as chair, Cynthia Giagnocavo representing Europe, Sidsel Grimstad representing Asia-Pacific, Sonja Novkovic representing North America, Claudia Sanchez Bajo representing South America, Isaac K. Nyamongo representing Africa) and an invited editor (Seungkwon Jang from Sungkonghoe University, Korea). The editorial team received technical assistance from Hyungsik Eum, Director of research at the ICA. After a thorough analysis of papers presented at the conference, 24 papers were selected for inclusion in the volumes. These selected papers cover various cooperative sectors, including housing, agricultural, consumer, social, banking, worker and insurance. They also represent a diverse range of countries such as Rwanda, Kenya, Korea, Sri Lanka, Japan, Italy, France, Germany, Spain, the US, Brazil, Argentina, Uruguay, Costa Rica, Ecuador, and Cuba.

The first volume (107/2023) provides a comprehensive exploration of Cooperative Identity, examining its implementation, diversity, and challenges across different contexts and historical traditions. By exploring these topics, they contribute to a deeper understanding of the Cooperative Identity and its resilience in the face of evolving circumstances.

The section titled **“Deepening the Cooperative Identity”** consists of five articles that contribute to a profound understanding of Cooperative Identity by analysing its implementation in the field. In the article **“Operationalizing the Cooperative Identity”**, Sonja Novkovic

and Karen Miner, with contributions by Erbin Crowell, Balu Iyer and Fred Freundlich, provide tangible examples of values-based practices that integrate Cooperative Values into long-term planning, strategy, and operations. They explore the advantage of the cooperative model in integrating economic, social and ecological concerns. In **“Walking the talk: Cooperative Identity and Humanistic Governance”**, Cian McMahon, Karen Miner and Sonja Novkovic propose a framework for addressing governance issues in a manner consistent with Cooperative Values, Principles and purpose. They illustrate “humanistic cooperative governance” through selected case studies across different types of cooperatives. Suzane Grimm and Dimas de Oliveira Estevam’s article, **“La Participación Femenina en el Cooperativismo Brasileño y Mundial (Women’s Participation in Brazilian and World Cooperativism)”** analyses women’s participation in the Brazilian and global cooperative movement. It presents the Co-operative Women’s Guild and the ICA as institutions that promote women’s participation in the cooperative movement worldwide. The article also highlights examples of Brazilian cooperative movement and government initiatives. Billy Ndengeyingoma’s article, **“Trust and Solidarity: The Ethics of Means of Cooperative Housing in Kigali, Rwanda”**, explores why housing cooperative members in Kigali perceive cooperatives as a suitable organisational form to meet their housing objectives. The central argument is that cooperative members consider solidarity and trust as appropriate “ethics of means” to fulfill their ambitions and aim to preserve and strengthen these values in their cooperative housing project. Based on observations mainly from the French case, Eric Bidet, Maryline Filippi and Nadine Richez-Battesti’s article, **“Corporate Social Responsibility and Transitions: Renewals and Challenges for the Cooperative Identity”** shows that the cooperative revival led by multi-

stakeholder cooperatives opens up new field of practices and creativity oriented towards transition. They explain that these dynamics shift the Cooperative Identity from a focus on collective interest to a contribution to the common good, questioning the low recognition of cooperatives’ contribution to corporate social responsibility (CSR) and transition.

The second section, titled **“Diversity of the Cooperative Identity”** features four interesting articles that demonstrate the universality of Cooperative Identity by exploring various historical and philosophical traditions behind different cooperative models worldwide. In **“Decolonising the Cooperative Identity”**, T.O. Molefe highlights that frameworks for understanding the global cooperative movement have been primarily shaped by state-centric Western approaches that emerged during the age of European empire building. Molefe argues for a departure from Eurocentric thinking and calls for reparative acts to achieve a truly global cooperative identity and movement. Hyeong-Soo Jeon’s work, **“On Confucian Understanding of Cooperative Thought”** offers a possible answer to the question of decolonization. By analysing the cooperative aspects found in Confucian practices, Jeon discusses whether and what cooperatives worldwide, especially in Western countries, could learn from the Confucian value system. In **“Lessons Learned from the African American Cooperative Movement”**, Jessica Gordon-Nembhard and Regine T. Adrien delve into the rich history of Black solidarity and cooperative economics within the United States. They provide roadmaps for fostering the progress made by Black Americans’ cooperatives, with the aim of building a future based on solidarity, equity and inclusion. Orestes Rodríguez Musa, Yaumara Acosta Morales, Lien Soto Alemán, Deibby Valle Ríos, José Manuel Figueroa González y Orisel Hernández Aguilar present a unique context: the communist regime of Cuba. In their

article, **“La Recepción de la Identidad Cooperativa en Cuba - Antecedentes, Realidad y Perspectivas (The Reception of the Cooperative Identity in Cuba - Background, Reality and Prospects)”**, they aim to offer a comprehensive overview of the current state and prospects for the development of Cuban cooperatives.

In the section titled **“The Cooperative Identity and Challenges”**, various challenges faced by cooperatives are discussed, including government intervention, generational changes and market pressures. In **“The Identity Problems of the Korean Agricultural Cooperative and Its Future”**, Seong-jae Park examines the identity problems of the Korean agricultural cooperatives, analysing their causes and effects. He explains that these problems arise from the heterogeneity of members, the simultaneous management of financial and economic businesses, and their relationship with the government. Regarding government intervention, Juan Martín Asueta y Giuliana Maricel Gaiga analyse key aspects that contribute to the construction of Cooperative Identity in groups formed through a public policy programme in Argentina. Their work **“El Programa Ingreso Social con Trabajo y la construcción de Identidad Cooperativa (The Social Income with Work Programme and the Cooperative Identity building)”** investigates the fundamental cooperative principles that foster identity and a sense of belonging among cooperative members in their cooperatives promoted by public policy. Generational changes pose challenges to cooperative member participation models. In **“Individualization of Society and Changing Role of Japanese Consumer Co-operatives: Challenges of Cooperative Principles and Identity in Japan”**, Iruma Tanaka and Akihiro Hanzawa examine the reasons and process behind the dismantling of the “*Han*” system during the individualization of Japanese society and the changes in the

retail business market. Mary Njoki Mbugua and Kennedy Munyua Waweru's article, **"Demutualization, Member Control and Financial Performance of Co-operatives in Kenya"** addresses the sensitive issue of demutualization. Drawing on two Kenyan cases, the article attempts to analyse the impact of demutualization on the relationship between member control and financial performance.

In the second volume (108/2023), the implementation of the Cooperative Identity in cooperative businesses and its institutionalization through various fields are examined. The volume consists of eleven articles grouped into three themes: entrepreneurial innovation, institutionalization and development of implementing tools.

The section titled **"Cooperative Identity and Entrepreneurial Innovation"** presents articles that illustrate how the Cooperative Identity contributes to the entrepreneurial innovation of cooperatives. Rosa Santero-Sánchez y Rosa Belén Castro Núñez, in their work **"Creación de Empleo de Calidad en Cooperativas y Sociedades Laborales. El Caso de España durante la Recuperación Económica 2013-2016"** (Generating Quality Employment in Cooperatives and Worker Owned Firms. The Spanish Case during the Economic Recovery Period 2013-2016)" empirically demonstrate that cooperatives in Spain created higher-quality jobs during the recovery period after the financial crisis. Emmanuel Munyarrukumbuzi and Sidsel Grimstad, in their article **"Maintaining the Cooperative Identity in Times of COVID - Reinventing and Communicating the Cooperative Brand - the Case of Dukunde Kawa Coffee Cooperative (Musasa) in Rwanda"** present a case study of a Rwandan coffee cooperative that successfully communicated its cooperative identity through digital channels to overcome the challenges posed by the COVID lockdown. **"Vertical Integration and Member Benefits of**

Cooperatives in Sri Lanka" written by Sanjaya Fernando, Elena Garnevska, Thiagarajah Ramilan and Nicola Shadbolt, examines whether smallholder farmers benefit from the vertical integration of their cooperatives. The article utilizes survey data from smallholder rice farmers in Sri Lanka to identify the business and financial, as well as technology and information benefits that fully integrated cooperatives provide to their members. Min-Jin Ji, Eunjung Lee, Hyangsuk Lee, Eunju Choi and Changsub Shin present the case of iCOOP KOREA in their article **"Entrepreneurial Innovation in a Cooperative Way: the iCOOP KOREA case."** They highlight the unique path taken by iCOOP, a Korean consumer cooperative federation, to succeed and adapt to Korea's rapidly changing business environment. The authors emphasize that the Cooperative Identity should be at the core of a cooperative's evolutionary process, as its primary goal is not profit-maximization but resource optimization. Sunhwa Kim and Seungkwon Jang, in their work **"How Does Institutional Change in Cooperatives Occur? - Fair Trade in iCOOP Consumer Cooperative"**, analyze how cooperatives introduce and expand new practices, such as Fair Trade, that may conflict with existing activities. This study emphasizes the importance of various stakeholders' institutional works in driving the institutional change of cooperatives.

The Cooperative Identity extends beyond the confines of the cooperative movement and becomes institutionalized through different institutions, including statistics, public policies and education systems. The section titled **"The Institutionalisation of the Cooperative Identity"** features three articles that address this issue. Marie J. Bouchard, in her article **"Producing Statistics on the Social and Solidarity Economy, Challenges and Opportunities"** provides an overview of recent efforts in producing statistics on cooperatives and the social and solidarity economy (SSE). She discusses

the challenges involved in defining, measuring, mapping and policy making for statistics on cooperatives and the SSE and the importance of international comparisons. Sergio Reyes Lavega, Danilo Gutiérrez Fiori, Sergio Salazar Arguedas, Elisa Lanas Medina and Claudia Sánchez-Bajo, in **"Experiencias en Coproducción de políticas públicas e identidad cooperativa en el siglo 21"** (Experiences in Public Policy Coproduction and Cooperative Identity in the 21st century)", propose an analysis and comparison of the co-production processes and spaces of public policies related to cooperatives and the Cooperative Identity. Drawing on their involvement in the co-production of public policy, they present cases from Costa Rica, Uruguay, Ecuador and Mercosur. In **"Aprendizajes para la Cooperación: Experiencias Educativas en Argentina e Identidad Cooperativa"** (Learning for Co-operation: Educational Experiences in Argentina and Cooperative Identity)", Mirta Vuotto presents various initiatives within the Argentinean education system aimed at disseminating and deepening the Cooperative Identity.

The section titled **"Tools for Strengthening the Cooperative Identity"** shares interesting experiences in developing tools to implement and strengthen the Cooperative Identity. Riccardo Bodini, Michele Pasinetti, Elena Rocca and Silvia Sacchetti, in their article **"Inclusive Governance and Enterprise Sustainability: Developing New Tools for Member Participation"**, examine participatory projects within

a network of Italian social cooperatives that promote the active involvement of cooperative members beyond formal governance structures and management bodies. Svenja Damberg, in **"Perceived Cooperative Member Value - The Case of German Cooperative Banks"**, proposes an approach to measure the Cooperative Identity and orientation of cooperative businesses by combining various methods applied to German cooperative banks. Silvana Avondet, Stella Cristobal, Claudia De Lisio and Cecilia Ferrario, in **"Más Valor Cooperativo: Iniciativas de Mejora Continua en el Ecosistema Cooperativo Uruguayo"** (More Co-operative Value: Continuous Improvement Initiatives in the Uruguayan Co-operative Ecosystem), present three tools designed to enhance cooperative management in Uruguay. They describe each tool and its contribution to the cooperative system.

We are confident that that these articles will significantly foster and stimulate the discussion on the Cooperative Identity. On behalf of the editorial team, we would like to express our sincere gratitude to all the authors for their dedicated efforts and valuable collaboration. We also extend our appreciation to Ariel Guarco, President of the ICA, Martin Lowery, Chair of the 33rd World Cooperative Congress and Bruno Roelants, former Director General of the ICA, for their unwavering support and instrumental contributions in making the conference a reality. Their support has been invaluable throughout the process.

Deepening the Cooperative Identity

Approfondir l'identité coopérative

Profundizar en la identidad cooperativa

Operationalizing the Cooperative Identity¹

Sonja Novkovic² and Karen Miner³ with contributions by Erbin Crowell⁴, Balu Iyer⁵, and Fred Freundlich⁶

Abstract

Cooperatives are values-based businesses jointly owned and democratically controlled by their members. Centred on people's needs, rather than capital, cooperatives often address social and economic injustices. The depth of commitment to the alignment of business practice with cooperative identity sets cooperatives apart from their capitalist counterparts; however, not all cooperatives are maximizing the advantages or actively committing to the cooperative identity. Further, the purpose of cooperatives as self-help organizations may be misconstrued, particularly in contexts of complexity, growth and isomorphic pressures. It is important, therefore, to share experiences which illustrate the cooperative advantage. The *Operationalizing the Cooperative Identity* panel discussion intended to address these issues and respond to the question: What are the advantages of the cooperative model and how do cooperatives operationalize their "cooperative identity"?

The panel addressed cooperative practices which weave the values into long-term planning, strategy, and operations, thereby exploring the advantages of the cooperative model in the context of the integration of economic, social and ecological concerns. Panelists provide tangible examples of values-based practices and in particular the most important areas of leadership for co-operatives.

¹ Based on a panel discussion, ICA Cooperative Research Conference, Seoul, South Korea, December 2021.

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Opérationnaliser l'identité coopérative

Résumé

Les coopératives sont des entreprises fondées sur des valeurs, détenues conjointement et contrôlées démocratiquement par leurs membres. Centrées sur les besoins des personnes plutôt que sur le capital, les coopératives s'attaquent souvent aux injustices sociales et économiques. La profondeur de l'engagement en faveur de l'alignement des pratiques commerciales sur l'identité coopérative distingue les coopératives de leurs homologues capitalistes ; cependant, toutes les coopératives ne maximisent pas les avantages ou ne s'engagent pas activement en faveur de l'identité coopérative. De plus, l'objectif des coopératives en tant qu'organisations d'entraide peut être mal interprété, en particulier dans des contextes de complexité, de croissance et de pressions isomorphiques. Il est donc important de partager les expériences qui illustrent l'avantage coopératif. La table ronde sur l'opérationnalisation de l'identité coopérative avait pour but d'aborder ces questions et de répondre à la question suivante : Quels sont les avantages du modèle coopératif et comment les coopératives rendent-elles opérationnelle leur « identité coopérative » ?

Le panel a abordé les pratiques coopératives qui intègrent les valeurs dans la planification, la stratégie et les opérations à long terme, explorant ainsi les avantages du modèle coopératif dans le contexte de l'intégration des préoccupations économiques, sociales et écologiques. Les panélistes fournissent des exemples concrets de pratiques fondées sur les valeurs et, en particulier, les domaines les plus importants du leadership pour les coopératives.

Operacionalizar la Identidad Cooperativa

Resumen

Las cooperativas son empresas basadas en valores, de propiedad conjunta y controladas democráticamente por sus miembros. Centradas en las necesidades de las personas, más que en el capital, las cooperativas suelen abordar las injusticias sociales y económicas. El profundo compromiso con la alineación de la práctica empresarial con la identidad cooperativa diferencia a las cooperativas de sus homólogas capitalistas; sin embargo, no todas las cooperativas aprovechan al máximo las ventajas o se comprometen activamente con la identidad cooperativa. Además, el propósito de las cooperativas como organizaciones de autoayuda puede malinterpretarse, especialmente en contextos de complejidad, crecimiento y presiones isomórficas. Por lo tanto, es importante compartir experiencias que ilustren la ventaja cooperativa. La mesa redonda *Operationalizing the Cooperative Identity* pretendía abordar estas cuestiones y responder a la pregunta: ¿Cuáles son las ventajas del modelo cooperativo y cómo hacen operativas las cooperativas su "identidad cooperativa"?

El panel abordó las prácticas cooperativas que integran los valores en la planificación, la estrategia y las operaciones a largo plazo, explorando así las ventajas del modelo cooperativo en el contexto de la integración de las preocupaciones económicas, sociales y ecológicas. Los panelistas ofrecen ejemplos tangibles de prácticas basadas en valores y, en particular, de las áreas de liderazgo más importantes para las cooperativas.

1. Introduction

Cooperatives are values-based businesses jointly owned and democratically controlled by their members. Centred on people's needs, rather than capital, cooperatives often address social and economic injustices. The depth of commitment to the alignment of business practice with cooperative identity sets cooperatives apart from their capitalist counterparts; however, not all cooperatives are maximizing the advantages or actively committing to the cooperative identity. Further, the purpose of cooperatives as self-help organizations may be misconstrued, particularly in contexts of complexity, growth and isomorphic pressures. It is important, therefore, to share experiences which illustrate the cooperative advantage. The *Operationalizing the Cooperative Identity* panel discussion intended to address these issues and respond to the question: What are the advantages of the cooperative model and how do cooperatives operationalize their "cooperative identity"?

The essence of this question is how cooperatives translate their values into business strategies and day-to-day practice. Often, governing bodies, leaders, and managers separate business from social issues, and cooperative "dual role" is understood as two independent parts of the Cooperative Identity that need to be balanced, rather than integrated (see Novkovic et al., 2022). The panel addressed cooperative practices which weave the values into long-term planning, strategy, and operations, thereby exploring the advantages of the cooperative model in the context of the integration of economic, social and ecological concerns. Panelists were asked to provide tangible examples of values-based practices and in particular the most important areas of leadership for co-operatives.

The ICA Statement on the Cooperative Identity (Identity Statement) provides the foundation and framing for the cooperative model (Novkovic & Miner, 2015). Figure 1 (Miner & Novkovic, 2020) illustrates the application of the Identity Statement to a cooperative enterprise that is embedded and responsive to the complexities of the economy, society and the natural environment systems, with its purpose, values and principles informing the direction and decisions of the organization.

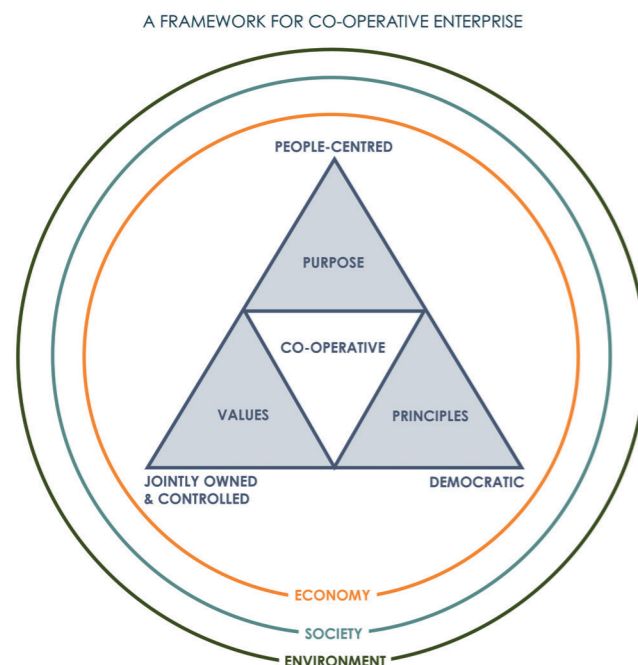


Figure 1. The Cooperative Enterprise Model

(Source: Miner & Novkovic, 2020)

Key differentiators of the model rest on collective action with joint ownership, democratic control by members and people-centredness at its core. Understood broadly, the people-centric model implies concerns for human dignity in governance and all its operations with internal as well as external concerns toward labour practices, value chains, consumers, and communities including the natural environment. These practices are reflected in individual organizations, as well as through networks as a manifestation of applying the principles.

The panelists focused on some of the areas where cooperatives are clearest in their distinction from other models of enterprise, in particular a people-centred approach to labour practices (internal and external), pooling of capital to generate member value and benefit (individual co-ops and network/system level), inter-cooperation for relational and transactional purposes (cooperation among cooperatives through associations, federations, value chains), care for community (extending beyond people to environment and climate change), and addressing systemic issues such as social and economic injustices more broadly.

2. Leaders in democracy, promoting human dignity, and sustainability

Values such as self-help, democracy and solidarity differentiate cooperatives from other enterprises. They translate to the business model in various ways, depending on the type of cooperative and its context. From internal processes and practices, such as values-aligned onboarding of workers or employees, or paying a living wage, to ethical supply chains and local/co-operative procurement, cooperatives live their values in everyday practices. This creates a sense of ownership and loyalty from consumers, workers and suppliers, and therefore forms a business advantage⁷.

Operationalizing the cooperative identity is the engine for social change promoting democracy, human rights and sustainability (Freundlich). At this age of 'stakeholder capitalism', co-ops can show leadership in stakeholder engagement since people-centredness and adherence to ethical values implies care for all impacted constituents, not just the members. This cooperative advantage is particularly salient in multistakeholder cooperatives (MSC) where multiple types of stakeholders own and control the enterprise in solidarity. The MSC form is increasing in importance, as a model of governance in the context of complexity of sustainability demands and pressures.

The following examples were brought forward by the panelists. We highlight their contributions to operationalization of the cooperative identity, realizing that it is only the tip of the iceberg of possibilities that the cooperative model offers in different contexts.

⁷ Further to sustainability as a business advantage is potential cost-cutting through the application of renewable energy sources, circularity in design and production, re-use of resources, or recycling used materials, but also increased productivity through a people-centric approach to labour and human rights.

2.1 Intercooperation (scale, cooperative economy, advocacy)

Intercooperation, or ICA Principle 6 (cooperation among cooperatives) is one of the most powerful and distinguishing features of the cooperative model, operationalizing solidarity across the movement. It manifests itself in multiple forms - from informal collaborations and business cooperation through to supply chains⁸ or consortia, the formation of associations or federated structures, and groups within and across industries. Intercooperation is intuitive but complicated in practice as it moves beyond the boundaries of one cooperative and creates a system of engagement with other organizations to create scale, amplify voice, and pursue the broad vision of a cooperative economy.

Neighboring Food Co-op Association (NFCA, USA) as an association of food cooperatives contributes to measuring and incentivizing co-op identity in vision and day-to-day operations. As many regional, sectoral or national cooperative associations, NFCA engages in advocacy and education, relationship building, cooperative development and innovation. Its aim is to contribute to success of its members by protecting the cooperative model through policy and legal frameworks, assisting in visioning and strategy, as well as creating business opportunities which contribute to local development.

Mondragon Group (Spain) operationalizes this principle through shared policies and institutions on the one hand, and joint business opportunities on the other. As a network of cooperative enterprises, Mondragon group's members created institutions to address multiple issues facing them - from access to cooperative

finance by creating a bank and a venture capital fund, to providing social security through a jointly owned cooperative insurance enterprise, to a cooperative university and training centres. Primary cooperatives share policies such as no layoffs and job sharing, pooled surpluses, and solidarity funds. In the business intercooperation arena, cooperatives in the Mondragon group create joint research centres, access markets, and collaborate on purchases, technology, and innovation projects to ensure long-term relevance and competitive success.

2.2 Primacy of labour and respect for labour rights

Mondragon group's *raison d'être* is to provide and maintain jobs. Primacy of labour is therefore enshrined within its ten basic principles (BPs). Mondragon group makes explicit this primacy in ways that are not explicit in the Identity Statement. In particular, through Mondragon group's BPs of sovereignty of labour, subordination of capital, and worker participation in management, the group is reinforcing a focus on workers (over capital). ICA's democratic member control principle (BP: democratic organization) and values of self-responsibility and democracy are strongly upheld through worker decision-making and control penetrating all structures and processes of governance, as well as operations. Member economic participation through work and the relationship to capitalization is also critical to Mondragon group's success with dual accounts and indivisible reserves often used as an example of successful balancing of personal and collective interests of their members, providing capital to allow for innovations and growth, but most importantly job security and jobs creation.

The culture in well-run worker co-operatives exemplifies deeply focused member-centricity where values of mutual self-help and solidarity are palpable. Another labour cooperative, the **Uralungal Labor Contract Cooperative Society (ULCCS, Kerala, India)** provides higher wages than the lowest grade employee of the government; it also secures bonus payments, as well as medical and retirement benefits for its members.

On the other hand, examples of Identity Statement-aligned consumer and producer cooperatives show their concern for labour rights through their broader concern for people-centredness as they secure a living wage (**Vancity Credit Union, Canada**), pay their workers well above the minimum wage or industry average (**iCoop, South Korea**), and showcase their concern for labour by providing decent work, often reflected in high industry rankings as best employers (**The Cooperators** insurance, Canada is one example last recorded in 2023⁹).

2.3 Ethical consumption and production

As a tangible example of the linkages between individual organizations and the social, economic and environmental systems surrounding the enterprise model, ethical consumption is often the reason for the foundation of consumer cooperatives. This is true for food cooperatives such as **NFCA's** members in the United States, who established cooperatives at a time when organic, local products were not available on the market. While they face fierce competition today, remaining true to the cooperative identity keeps them viable. Cooperative values of equity, social responsibility and caring for others translate into accessibility concerns, focus on diversity and inclusion, and thriving local communities.

iCOOP Korea is a federation established by six primary consumer cooperatives in 1997. From the beginning iCOOP has pursued "ethical consumerism" through solidarity with its member cooperatives to ensure consumer food safety and security, protect agriculture and the environment, and respect human and labour rights. Ethical consumption and production are at the heart of iCOOP's work. They support producers transparent about their activities regarding treatment of consumers and nature alike; enterprises that respect their employees and consider the well-being of animals and the global environment, and promote ethical production.

Ethical production through to consumption illustrates the power and potential of the combination of the principles of co-operation among cooperatives (P6) with concern for community (P7). It is these principles in support of the underlying values that results in local to global impact capable of strengthening an integrated system that touches on social, economic, and environmental concerns.

2.4 Food safety and sustainable agriculture

iCOOP's ethical practices are based on three core intersecting values: respect for people and labour, food safety, and agriculture and the environment. The cooperative promotes production and consumption of safe foods made without the use of toxins such as agrichemicals or harmful food additives. They also campaign to improve food safety standards through legal and structural measures. iCoop strives to protect agriculture, connecting rural and urban communities. The cooperative promotes consumption of home-grown wheat, eco-friendly products, reusable grocery

⁸ Fair trade cooperative chains are one example. See Crowell and Reed, 2009.

⁹ <https://www.forbes.com/lists/canada-best-employers/>

bags, reduced use of fossil fuel to prevent global warming, etc. to protect members, neighbours, and the environment.

In a survey of the literature, Candemir et al. (2021, p. 1125) find that agricultural cooperatives influence farmers to adopt environmentally friendly practices and agricultural innovation, and increase farm environmental sustainability. Cooperative members adopt environmentally conscious practices, engage in organic production and land stewardship, including ecological regulation, biological and physical control, and integrated pest management technology among other.

Social concerns are part and parcel of sustainable farming and include such practices as preserving small family farms' way of life (the purpose of **Organic Valley**¹⁰ (USA)), as well as gender inclusion and empowerment, and multiple community social impacts (see Candemir et al., 2021, p. 1127).

2.5 Climate action

Cooperatives integrate environment into their core business practices as a response to Principle 7 (concern for community) and aligned with the enterprise model's inclusion of natural environment as a stakeholder in the articulation of people-centredness, reflected in the model's outer ring (Fig 1 above).

The **Association of Asian Confederation of Credit Unions (AACCU)** is a regional organization for credit unions. Established in 1971, AACCU represents 40.2 million individual members from more than 45,000 credit unions in 22 countries in Asia. In 2020 AACCU recognized the urgent need to integrate climate action in the daily lives of its members and to integrate it in the Credit Union operations.

Some of the steps they have put in place include the addition of the 6th C of Credit – Climate Compliance in Loan Assessment¹¹. They also introduced an Energy/Climate Audit based on 60 indicators; the Credit Union Self-Assessment Waste Audit and Management (reduce, reuse, recycle, create energy, dispose), and Waste Audit for Business. Further AACCU introduced Climate Finance in their portfolio based on the green finance principles (promotion of renewable energies, energy efficiency, water sanitation, environmental audits, reduction of transportation and industrial pollution, climate change, deforestation, carbon footprint). This was coupled with Integrated Climate Actions in AACCU Business Solutions (training of trainers, certification program, manual, award).

Similarly, cooperatives embrace the Sustainable Development Goals for performance measuring and reporting. Climate concerns dominate these efforts, as evidenced in annual reports as well as the broader movement's concerns.

¹⁰ <https://www.organicvalley.coop/about-us/organic-food-co-op/>

¹¹ The 6 Cs of credit: Character, Capacity to pay, Collateral, Capital, Conditions (risk), and Climate compliance in loan assessment.

3. Comments and conclusions

Panelists addressed important topics under the umbrella of operationalizing identity through the cooperative enterprise model. The selection of examples and topics touched most directly on certain values linked to a few principles in particular, namely we saw focus on member economic participation, cooperation among cooperatives, and concern for community. Due to time limitations, the panel did not emphasize all values and principles or elements of the enterprise model, and this is by no means an indication of their lesser importance. However, it is critical that the Identity Statement and the cooperative enterprise model form an interlinked system if the cooperative movement aims to achieve its potential at the level of individual cooperatives through to the regional, national, and international support structures.

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Walking the Talk: Cooperative Identity and Humanistic Governance¹

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Abstract

This article introduces a humanistic perspective on best-case co-op governance theory and practice. This approach stands in sharp contrast to the dominant 'economistic' (or profit-centred) model. It is not intended to present a fine-grained blueprint detailing every aspect of humanistic co-op governance, but rather a framework within which governance issues can be thought through and tackled in a manner consistent with co-op values, principles, and purpose.

In the article, humanistic cooperative governance is illustrated concretely through selected case studies across different types – a worker, a consumer, a multistakeholder, and a second-tier producer cooperative. It concludes with some key takeaways regarding best-case, humanistic, participatory-democratic co-op governance.

Walking the Talk: l'identité coopérative et la gouvernance humaniste

Résumé

Cet article présente une perspective humaniste sur la théorie et la pratique de la meilleure gouvernance coopérative. Cette approche contraste fortement avec le modèle «économiste» (ou centré sur le profit) dominant. Il ne s'agit pas de présenter un plan détaillé de tous les aspects de la gouvernance coopérative humaniste, mais plutôt un cadre dans lequel les questions de gouvernance peuvent être réfléchies et abordées d'une manière cohérente avec les valeurs, les principes et l'objectif de la coopérative.

Dans cet article, la gouvernance des coopératives humanistes est illustrée concrètement par des études de cas sélectionnées parmi différents types de coopératives - une coopérative de travailleurs, une coopérative de consommateurs, une coopérative multipartite et une coopérative de producteurs de second rang. L'article se termine par quelques enseignements clés concernant la gouvernance coopérative humaniste, participative et démocratique dans les meilleurs cas.

Walking the Talk: Identidad Cooperativa y Gobernanza Humanista

Resumen

Este artículo presenta una perspectiva humanista de la teoría y la práctica de la gobernanza cooperativa en el mejor de los casos. Este enfoque contrasta fuertemente con el modelo «economicista» (o centrado en el beneficio) dominante. No se pretende presentar un plano detallado de todos los aspectos de la gobernanza cooperativa humanista, sino más bien un marco en el que las cuestiones de gobernanza pueden ser pensadas y abordadas de una manera coherente con los valores, principios y propósitos cooperativos.

En el artículo, la gobernanza de las cooperativas humanistas se ilustra concretamente a través de estudios de casos seleccionados de diferentes tipos: una cooperativa de trabajadores, una de consumidores, una de múltiples partes interesadas y una cooperativa de productores de segundo nivel. El artículo concluye con algunas conclusiones clave sobre el mejor caso de gobernanza cooperativa humanista, participativa y democrática.

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1. Introduction

The Statement on the Cooperative Identity (ICA, 1995) serves as a touchstone for cooperative firms that seek to chart an authentic independent course to the destructive instability of 'business-as-usual' corporate practice. Efforts to translate the Statement's values-based, humanistic organizational philosophy into a coherent system of governance, however, have proven challenging for even the most committed of cooperators. This difficulty lies in no small part with the role played by organizational theory, as a bridge between abstract co-op philosophy and its operationalization through cooperative governance practice.

Standard theories of corporate governance are geared to conventional investor-owned firms, and are thus disseminated widely within the business community through academic and vocational institutions. These ideas come to influence the governance of cooperatives, particularly as co-ops grow in size and are forced to confront organizational deficits pertaining to a lack of professional expertise. Yet what is most needed, and all too often lacking, in this scenario is *co-op-specific* business expertise versed in the practical experiences of successful identity-aligned cooperative operations, management, and governance. Such humanistic co-op practice is in turn supported by alternative, humanistic organizational theories.

In the present article, we introduce a humanistic perspective on best-case co-op governance theory and practice. This approach stands in sharp contrast to the dominant 'economistic' (or profit-centred) model. It is not intended to present a fine-grained blueprint detailing every aspect of humanistic co-op governance, but rather a framework within which governance issues can be thought through and tackled in a manner consistent with co-op values, principles, and purpose.

The arguments offered forth draw on cumulative research for a multi-year funded research project, entitled 'Governance of co-operative enterprises under pressure: A multilevel and holistic approach' (FWO SB-project S006019N). The theoretical precursor to and impetus for this project was a 2015 report of the International Cooperative Alliance, namely *Cooperative Governance Fit to Build Resilience in the Face of Complexity* (Novkovic & Miner, 2015). Related research, teaching, and collaboration at the International Centre for Co-operative Management (ICCM) culminates in an Open Access edited volume, entitled *Humanistic governance in democratic organizations: The cooperative difference* (Novkovic et al., 2023).⁵

The next section introduces the ICCM's general approach to co-op governance through its conceptualization of the cooperative enterprise model (CEM) and governance system. This is followed by an overview of related humanistic economics and management theories. We also touch briefly on recent debates surrounding the co-op identity, i.e. whether or not it should be updated to better reflect, articulate, and address member needs in a twenty-first century context. Parallel debates surround the conceptual discourse of 'humanism', likewise suggesting a considered rearticulation of humanistic theory and philosophy. The third section of the article unpacks the co-op governance system's key constituent elements – i.e. organizational structures, participatory processes, and change management dynamics – across different types of co-op: what these mean in the abstract, alongside general examples drawn from cooperative practice.

⁵ See <https://www.smu.ca/iccm> and <https://link.springer.com/book/9783031174025>

Humanistic cooperative governance is then illustrated more concretely through selected case studies across different types – a worker, a consumer, a multistakeholder, and a second-tier producer cooperative. The final section concludes with some key takeaways regarding best-case, humanistic, participatory-democratic co-op governance.

2. Operationalizing the co-op identity – humanistic economics and management

The ICCM conceives of the cooperative enterprise model (CEM) in terms of its identity-aligned economic, social, and ecological embeddedness, as depicted in Figure 1.

The cooperative enterprise model is a trifacta of purpose, values and principles coupled with three fundamental properties inherent in cooperatives as peoples' organizations (people-centered, jointly-owned and controlled, democratically governed). These three properties, when operationalized, form the building blocks of the cooperative advantage in the context of increased complexity (Miner & Novkovic, 2020).

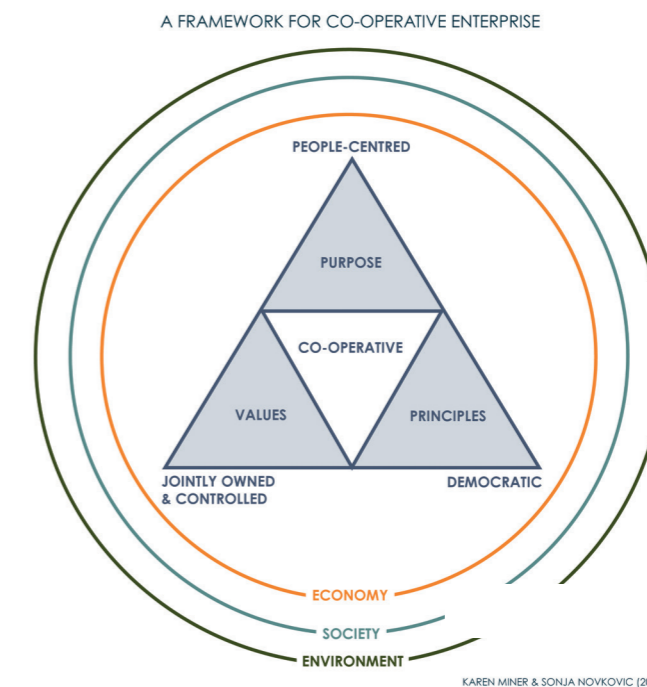


Figure 1. Cooperative Enterprise Model (CEM)
(Source: reproduced from Miner & Novkovic, 2020)

Furthermore, the ICCM approach to cooperative governance is explained as follows:

The word governance has its root in the Latin verb “Gubernare” which derives from the Greek “Kybernan”, meaning “to lead, to steer, to be the head of, to set rules, to be in charge of the power”. Governance is related to vision, decision-making processes, power dynamics and accountability practices. The ultimate goal of governance is to effectively fulfil an organization’s goals in a way consistent with the organization’s purpose.

Co-operatives are member owned and democratically controlled organizations. Their governance has to meet co-operative’s objectives, protect member interests and maintain member control. Co-operatives are also values-based businesses whose governance and management principles and practices need to reflect and safeguard their values (Novkovic & Miner, 2015, p. 10)

Ongoing ICCM research unpacks the key components of the cooperative governance system – that is, its *structures, processes, and dynamics* (see section 3). We further draw upon the humanistic economics and management paradigms (Lutz & Lux, 1988; Pirson, 2017) to deepen the theoretical premises of a systemic framing of co-op governance.

Humanistic organizational theories critique the one-dimensional (‘economistic’) view of human nature and ‘the human firm’ (Tomer, 2002), as conceptualized by the dominant (orthodox/neoclassical) economics-inspired approaches to corpo-

rate governance (see Lutz, 1999; Pirson, 2017 for deep-rooted critique). Rather than embodying a single-minded, hyper-rational calculus focused on maximizing agent/firm satisfaction/profit, humans and their organizations are understood as embodied and embedded by a multidimensional (complex) human nature (Braidotti, 2017). Hence, we observe in reality a much greater diversity of individual and organizational behaviours, which often appear paradoxical given the confluence of competing demands – and especially given the democratic and ethical basis of cooperative socio-ecological-economic (SEE) entities (Michaud & Audebrand, 2022; Cornforth, 2004; Miner, 2023).

In recognising not only the ‘lower’ (economic) and ‘higher’ (social) needs of individual persons, but also the fundamental imperative of healthy ecosystems (natural environment) and respect for the complexity of SEE interdependence to processes of need formation, realization, and fulfilment, the ICCM seeks to (re)articulate a more *associationalist* and *cooperativist* perspective on humanism in organizations (see Novkovic et al., 2022; McMahon, forthcoming 2023). This outlook emphasises caring social and socio-ecological relationships through participatory-democratic cooperative governance (see also Lynch, 2022; Braidotti, 2017; Sayer, 2011 on care ethics). In this sense, the framework is humanistic, but not anthropocentric.⁶

6 Braidotti (2017) raises additional activist and academic criticisms of traditional (liberal/Eurocentric) humanism, given the associated erasure of diverse social identities (see also Lee & Tapia, 2021). The present authors acknowledge their own biases in this regard, reflecting their personal social histories and professional networks.

Such theoretical development parallels ongoing practitioner debate concerning a possible extension/elaboration of the cooperative identity; in particular, the co-op movement is responding to contemporary justice issues of social identity and social ecology (see Harvey, 2022; Lee & Tapia, 2021; Miner, 2023).

Cooperative enterprises, which depend on the sustenance of human and non-human health more generally, face unprecedented SEE upheaval in a twenty-first century context. Co-ops must therefore prepare themselves philosophically and theoretically, as well as practically, to successfully navigate an increasingly uncertain world. There is no cooperative practice without cooperative knowledge, and no cooperative knowledge without cooperative practice.

3. Context matters – humanistic co-op governance in all its diversity

Cooperative governance systems are composed of organizational structures, participatory decision-making processes, and change management dynamics (Eckart, 2009). Structures are understood to include, for example, the ownership and control regime, governance bodies, and rules and policies formalized in a co-op’s governing documents. Processes are taken as the formal and informal mechanisms of co-op democracy and member/stakeholder participation, together with channels of communication, monitoring/accountability, and control. Dynamics then arise from the interaction of structures and processes under internal and external pressures of change. The main co-op governance system components are decomposed in Figure 2.

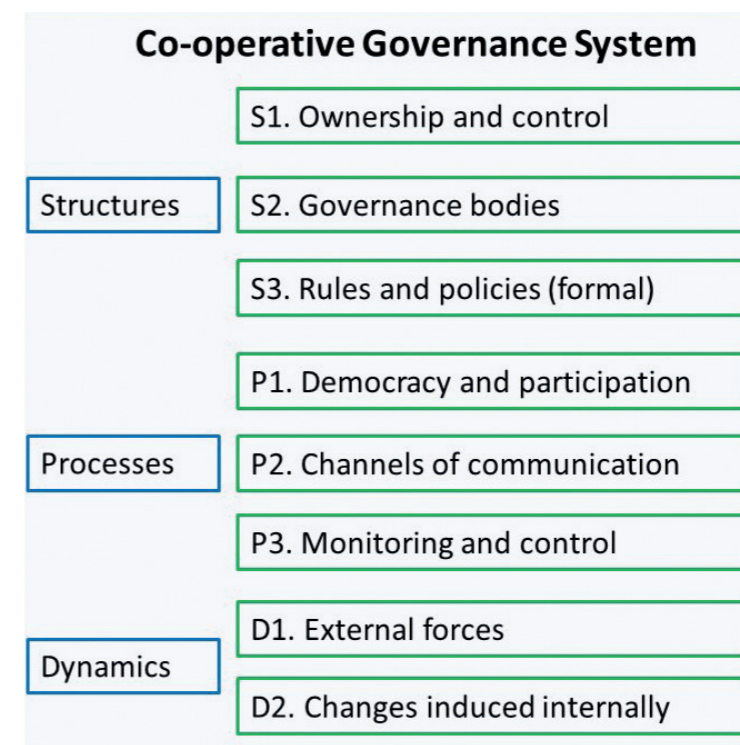


Figure 2.
Cooperative governance system

(Source: reproduced from
Novkovic et al., 2023, Figure 4.1)

While humanistic theory suggests some commonalities within diverse systems of best co-op governance, recognition of cooperatives' socio-institutional embeddedness implicates contextual factors as at least equally important to appropriate system design (Ostrom, 2010). The following subsection first outlines the common humanistic threads of best co-op governance, before subsequent subsections examine key contextual factors that help to explain the exemplary diversity between and within the main co-op types.

3.1 Cooperativist commonalities of humanistic governance

Humanistic theories of 'network governance' (Turnbull, 2002; Pirson & Turnbull, 2011) advocate multiple control centres or governing bodies (i.e. polycentricity – see Ostrom, 1990; 2010), which can help to lighten the strategic information load and broaden perspectives, particularly if multiple stakeholders are encouraged to contribute to and participate in governance of the firm. Arguably, the democratic and community-rooted nature of cooperatives can more easily facilitate multistakeholder engagement and network governance structures, when compared to (necessarily limited) democratizing experiments within the operations (not so often governance) of conventional firms (Lund & Novkovic, 2023).

Relatedly, cooperative organizational culture aligned to the cooperative identity is more amenable to healthy trust-based social communication between co-op members and strategic stakeholders, and within and between their networked governing bodies (see Cannell, 2010; Stacey & Mowles, 2016).⁷ The dynamic interplay

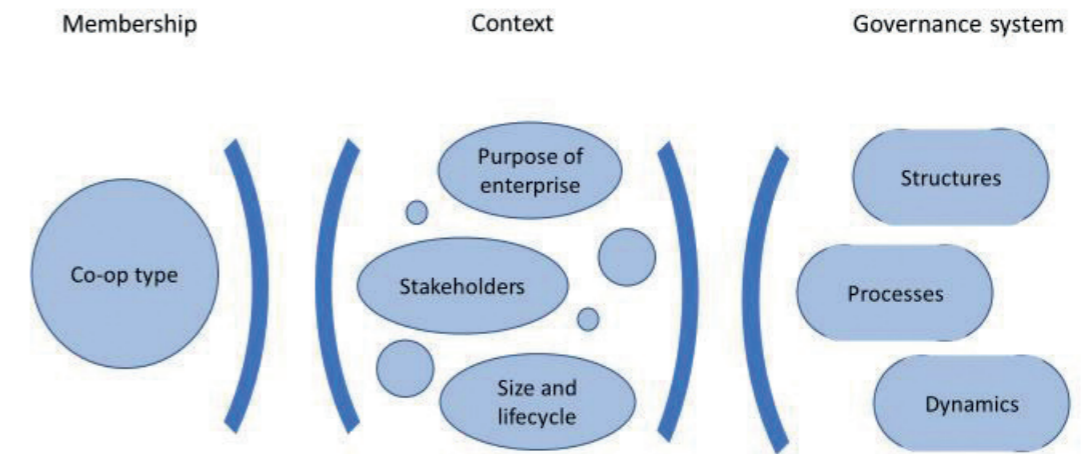
of humanistic governance structures and participatory-democratic decision-making processes in turn encourages adaptive change management – through regular governance review and renewal practices – as co-ops face up to instability and uncertainty in their internal and external environments (Grundeis, 2008). The longer-term implication of this common cooperativist baseline in humanistic governance systems is the intergenerational stewardship of co-op enterprise by current members, to the benefit of future members and stakeholders (Lund & Hancock, 2020).

Multistakeholder *governance* (i.e. engagement/participation of multiple stakeholders) should ideally be matched by multistakeholder *membership*, conferring *legal ownership and control* (Lund & Novkovic, 2023). Worker-inclusive multistakeholder co-ops (MSCs) might also be expected to maximize *radical* social innovation – that is, collective/associative intelligence rooted in cooperative self-management/governance (Vieta, 2014; 2019; Stacey and Mowles 2016; Laloux 2014; MacPherson 2002).

With that all said, the precise mechanisms of network governance, participatory democracy, and co-op regeneration vary greatly in their form, if not in their fundamentally humanistic content, depending on a multitude of contextual factors. To focus our discussion in the following subsections, we isolate the key contextual variables affecting humanistic governance in the main types of cooperative (this itself being *the* key contextual factor): whether members are 'insiders' (workers), 'outsiders' (producers, consumers), 'mixed' (multiple stakeholders), or 'secondary' (primary co-ops). In addition to membership type, the key contextual factors singled out are the co-op's purpose, its stakeholders, and its size and lifecycle (see Figure 3).

⁷ Stacey & Mowles (2016) refer to this as effective 'complex responsive processes of relating' (CRPR) in strategic management generally; meanwhile, Bob Cannell (2010) argues for the strong relevance of this perspective to worker co-ops specifically, though the logic extends to co-op types generally.

Figure 3. Variables impacting governance systems in cooperatives
(Source: reproduced from Novkovic et al., 2023, Figure 4.2)



3.2 Members on the inside – best worker co-op governance

The purpose of worker co-ops is to secure meaningful work and worker voice/democracy, primarily for the worker-members who own and control the firm. They may also set out to address broader social/environmental and labour rights issues, whether through co-op start-ups or conversions, or through takeovers of failing conventional firms (see Vieta, 2020). The main stakeholders outside of the membership are therefore the non-member workers and the local community, wherein co-op members/workers generally reside outside of work hours. The wider labour movement (incl. trade union-aligned political parties and cultural organs) has in this sense historically been a key partner/stakeholder (see ILO, 2013).

Worker cooperatives are, like conventional firm, generally small and medium sized, though larger worker co-ops are not unheard of – that said, large firms of any kind are relatively rare (see Pérotin, 2016). Radically democratic models of governance and management are more likely to be observed at smaller scales and earlier in the co-op lifecycle, with mechanisms of representative democracy tending to replace those of direct democracy as worker co-ops mature at larger scales (Cornforth, 1995). This doesn't necessarily preclude effective and quite extensive worker participation, however, if in a less directly-democratic form (see Basterretxea et al., 2020 for suggestions at very large scales).⁸

Workers are a particularly important member/stakeholder category for the purposes of (radical) social innovation in co-op governance and (self-)management (Vieta, 2014; 2020), since they gather together and (co-)produce tacit knowledge at the point of production (Cooley, 2020). In promoting human dignity and social innovation through collective self-help, worker co-ops are thereby a cornerstone of humanistic economic theory and management practice (see Lutz, 1999; Pirson & Turnbull, 2011).

⁸ Medium-sized worker co-ops like Unicorn Grocery and Suma in Northern England manage very well without any General Manager or CEO figure, relying instead on functional coordination bodies and facilitator roles, within a broader system of consent/consensus-oriented governance (see McMahon & Novkovic, 2021; McMahon et al., 2021).

But more than this, they are the standard-bearers of worker inclusion in co-op governance and management, serving as an example to all cooperative types (see Novkovic & Gordon Nembhard, 2023).

This collectivist mindset attributed to well-governing worker-members may result in the creation of indivisible reserves as an asset lock, thus ensuring intergenerational

stewardship as a structural property of the firm (Pérotin, 2016; Lund & Hancock, 2020). Likewise, conflict resolution and worker-member 'reproduction' (e.g. recruitment / onboarding / development / turnover) mechanisms are a priority, given the closeness of worker-members' proximity to the firm (Stryjan, 1994). Such resilience properties of best worker co-op governance again stand as an example to cooperative types generally.

Isthmus Engineering worker co-op (Source: Lund, 2021a)

Isthmus Engineering is an inspiring example of participatory worker co-op governance engaged in the industrial design and manufacture of high-tech custom automation machinery. Operating as a worker cooperative out of Madison, Wisconsin, USA since 1983, Isthmus's current workforce of circa 80 (divided roughly equally between members and non-members) are deeply involved in co-op governance through a vibrant committee system, which also serves as a training ground for future members and leaders.

Co-op education, training, and development is taken very seriously at Isthmus (Principle 5). And rightly so, since all co-op members serve on the Board of Directors. An unusually high proportion of the workforce are women (20 percent), in an engineering field usually dominated by men. Women have also served in the most senior governance posts at Isthmus. Sustainable design principles are at the heart of the co-op's operation, indicative of a broader concern for community (Principle 7). Likewise, as an active member of the US Federation of Worker Cooperatives (USFWC), Isthmus adheres to mutualistic cooperation amongst cooperatives (Principle 6).

Board officers and the (relatively sparse) management team serve as coordinators or facilitators, as opposed to occupying positions of decision-making power per se. A conflict resolution committee plays a central role at Isthmus in this regard, as does widespread trust-based information sharing and a rigorous membership process. The co-op's organizational structure is depicted below:

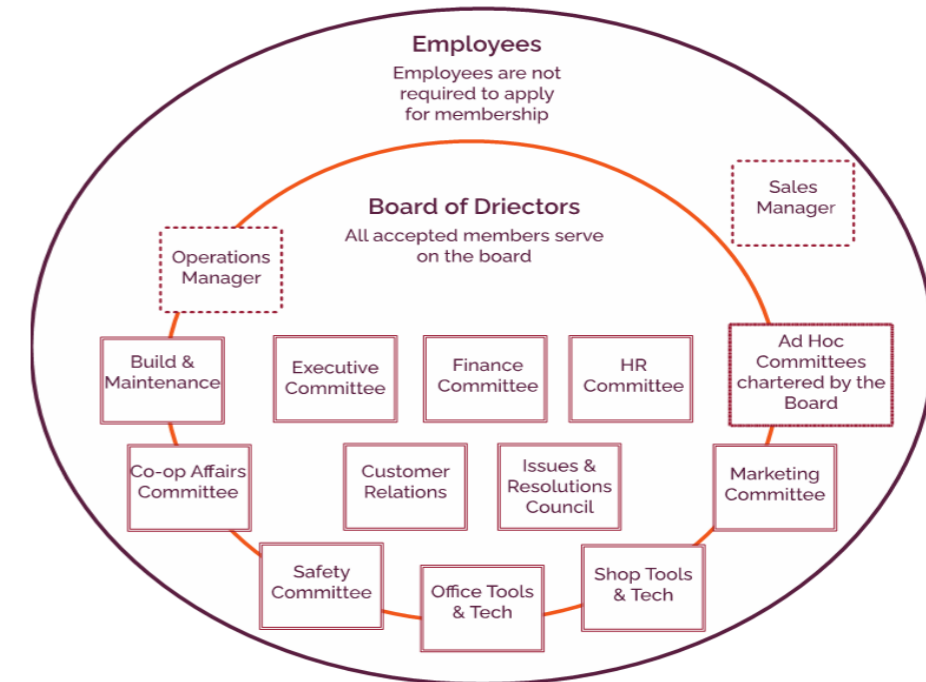


Figure 4. Isthmus organizational structure

3.3 Members on the outside – best consumer and producer co-op governance

The purpose of consumer and producer co-ops is to serve members with a more distant proximity to the firm than is the case for worker co-ops. They also tend to consist of much larger memberships of independent producers or consumers who pool resources to achieve economies of scale, price competitiveness, access to markets (producers), and/or access to quality goods and services.

The 'outsider' membership and generally larger relative scale of these co-ops often results in more conventional cooperative governance systems, often with a member-elected apex board of directors which appoints and oversees management, which in turn hires non-member workers and oversees operations (Eckart, 2009). However, this as well as their transactional purpose leaves the co-ops prone to conventional non-cooperative governance systems and management capture, particularly given generally low rates of member participation in the democratic process, ultimately leading to ill-advised corporate (not cooperative) professionalization of the business and member dimensions, and greater risk of co-op demutualization (see Spear, 2004).

The enthusiasm and talent of many workers/staff, and many amongst the wider membership, can also be tapped into through additional, distributed governing bodies like volunteer or advisory committees (see McMahon et al., 2020) or supervisory boards (Huhtala and Jussila, 2019). Regional governance bodies (delegate structures) and floating organizers/advisors also have an important role to play, depending on spatial/geographic considerations of proximity (see Lund, 2021b; Guillotte, 2022; McMahon, 2022). These network governance structures again offer a training ground for future leaders and/or board members, particularly in the case of younger cooperators. In all of this, the careful selection, onboarding, and continuing development and replenishment of worker/staff and member capacities, as well as co-op identity-consciousness, is paramount. For producer and consumer co-op managers and governors in particular, co-op identity-specific professional education and training is essential (McMahon, 2022).

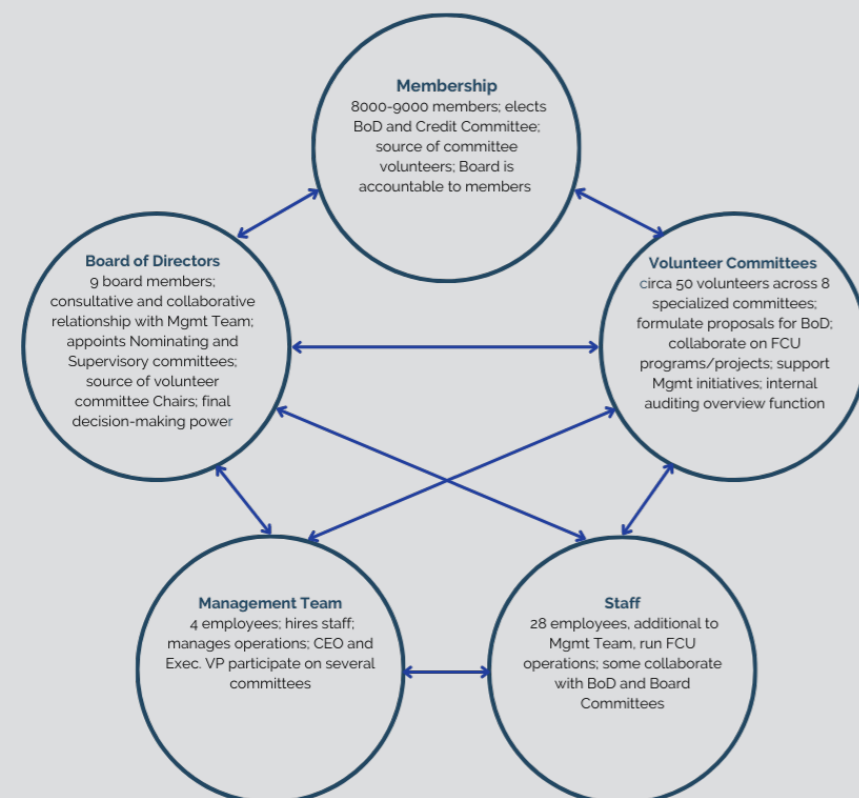
OAS Federal Credit Union
(Source: McMahon et al., 2020)

OASFCU is a large financial consumer co-op based out of Washington, D.C., USA serving its more than 8,500 members worldwide across 40+ organizations. The governance system has some unique features for a consumer co-operative, namely some network governance features and extensive leadership training opportunities.

Both members and staff are involved in a relatively extensive volunteer committee system (circa 50 members plus staff/admin support), which draws on their unique insights and talents to enhance economic/social/environmental innovation at the co-op.

These committees cover the areas of: assets and liabilities; community relations; membership; governance; human capital; technology; and nominations. In addition, OASFCU has in place a statutory supervisory committee, which acts as an internal auditor for compliance purposes. The credit and nominating committees are also statutory.

Network governance structures are further enhanced by a generally collaborative relationship between the different nodes of nested decision-making power and knowledge generation at OASFCU (see Figure 5) – including, in addition to volunteer committees: the Board of Directors; the senior management team; and the wider membership, staff, and external stakeholder groups (community, suppliers, co-op networks / associations / federations, and state/government bodies etc.). Education and training programmes have been established internally to equip prospective committee volunteers and governance/management leaders. These volunteer committees and wider developmental supports are thus vital to effective leadership succession at OASFCU.



3.4 Mixed membership – best multistakeholder co-op governance

Multistakeholder co-ops (MSCs, ‘mixed’, or ‘solidarity’ co-ops) combine multiple internal and/or external membership categories, dividing governance positions amongst member-stakeholder groups according to the particular nature of the operation and/or the pre-existing regulatory requirements. The MSC form is relatively new on the co-op scene, at least in legal terms, but it is also growing quite rapidly, and to date has displayed certain governance and performance advantages when compared to single-stakeholder-member co-ops (see Lund & Novkovic, 2023).

MSCs set out to serve the complex common purpose of their key member-stakeholder constituencies. Hence Margaret Lund’s (2011) designation of MSCs as constituting “solidarity as a business model”, with SEE transformation the shared cooperative goal, rather

than simple economic transaction. The network governance parallels are obvious, with the potential for multiple member-stakeholders to be best engaged and involved through multiple governing bodies (Pirson & Turnbull, 2011). The inclusion of labour as a voting member-stakeholder category can extend particular advantages, for the reasons already discussed in relation to worker participation more broadly in single-member co-op types (see also Novkovic, 2020; and Lund & Novkovic, 2023).

Processes and procedures of member-stakeholder conflict resolution, communication, information sharing, and reproduction/replenishment take on added significance, given the close proximity of various internal/external member-stakeholders, with structurally divergent viewpoints and knowledge bases.

Central Co-op solidarity

(Source: interview with Dan Arnett, November 18, 2022; see also centralcoop.coop and jseattle, 2015)

Central Co-op grocer was established in 1978 in Seattle as a consumer cooperative. Its founding purpose was to meet the alternative lifestyle needs of consumer-members seeking sustainable food justice. However, dignity at work was also important to the founding ethos, especially given the strong labour politics of the city and its local retail sector.

Different categories of workers at the Co-op began to unionize starting in 1995, with the organization eventually transitioning to MSC status in 2015. Workers were in this way involved for the first time as a separate membership category alongside consumer-members on the Board of Directors.

The labour unions representing Central Co-op’s worker-members and non-member workers adopted an open and welcoming attitude towards the initial MSC proposal, especially given that a historic contract had already been signed in 2015 increasing the Co-op’s entry-level wage to \$15 per hour. This marked out Central’s full compensation package as possibly the most progressive of any grocer in the US at that time.

The MSC transition was led by then General Manager, Dan Arnett, who combined over 20 years' co-op management experience with his then Master's degree studies in co-operative management at the ICCM in Saint Mary's University. During a trip to the Basque region around this time, he was also inspired by the MSC retail chain Eroski, a leading member of the federated Mondragon group of worker and solidarity co-ops.

Arnett proposed extending the standard list of cooperative principles to include concern for workers and the ecosystem, co-op management, strategic leadership, and innovative culture. These additions helped to enhance the Co-op's understanding of its complex purpose by complementing the associationalist bent of the co-op identity with a greater emphasis on enterprise functions and performance measurement. The ICCM education was an important influencing factor in this respect. In terms of formal ownership and control, the guiding idea was that this extended list of principles (and underlying values) could be best operationalized within a worker-inclusive MSC. The Co-op's continued resilience in an ever more competitive and uncertain environment is suggestive of the potential benefits to this model.

Given Central Co-op's large consumer membership (circa 13,000), whose transactional and relational needs must be balanced with those of its smaller but more actively engaged workforce (circa 100), the Co-op utilizes a somewhat conventional/classic cooperative governance structure, balancing necessary top-down control functions with countervailing bottom-up collaboration. This paradoxical situation is further complicated by the division and distancing of workers according to membership status (i.e. members and non-members), and their distribution across various outlets, work units, and, hence, labour unions. The ever-presence of these unions as well as worker-member directors, however, provides meaningful checks and balances on management and the Board, introducing fundamental structures, processes, and dynamics of polycentricity and worker-inclusive multi-stakeholdership into Central Co-op's governance system.

3.5 Co-ops of co-ops – best secondary co-op governance

Secondary co-ops (i.e. co-ops constituted by their primary co-op members) come in various forms reflecting different preferences over their respective levels of autonomy versus centralization in decision making. This ranges from more informal co-op networks prioritising autonomy, to more formal co-op associations and federations prioritising progressively greater centralization. The benefits of secondary cooperation generally include shared resources around cooperative professional expertise; co-op management education and training; financial, legal, and technical supports; and/or research and development activities.

Members of secondary co-ops are drawn from one or more of the multiple types of primary co-op already discussed. Similar to MSCs then, the system of governance in secondary co-ops will reflect the unique composition of its members and their complex expressed/anticipated common needs. Given the inherent tiered or levelled structure of a secondary co-op, elements of network governance are common with particular emphasis on structures for adequate representation and voice from the primary co-operatives on a geographic (or other) basis. This often results in regional or delegate structures, and processes that lead to hierarchical representation from a local to the apex level.

SAOS agri producer co-op federation

(Source: McMahon, 2022)

The Scottish Agricultural Organisation Society (SAOS) is a federation of some 56 agricultural (farm and rural) producer co-ops. It dates back over a century (Est. 1905) and has evolved in line with changing member needs and aspirations. Historically speaking, 'Federated agricultural co-ops collectively benefit from improved market access, reliable information, economies of scale, and political representation'. And while these basic needs still persist today, SAOS and its agricultural member co-ops face unprecedented challenges relating to sustainable development in a twenty-first century context.

Hence the Organisation is 'increasingly geared towards member education, managing consultancy, and future strategy, with an emphasis on "holistic" cooperative governance', i.e. encompassing multiple stakeholder perspectives within nested decision-making bodies. SAOS itself deploys a dual board structure, with the addition of a supervisory Council body composed of member representatives and invited key stakeholders, which oversees the Board, along with regional networking forums that coordinate co-op governors and managers and open up processes of dialogue and shared learning across primary member co-ops (see Figure 6). Areas of particular focus in this regard include 'the digital/tech revolution, supply chain collaboration, and various interlocking aspects of the environmental crisis'.

A Master's graduate in co-op management studies with the ICCM, Bob Yuill, occupies key governance positions within SAOS, and is largely credited with instituting its innovative organizational culture. Yuill's accumulated co-op experience and expertise guided SAOS through troubled waters, leading to fundamental governance reform in line with the co-op identity.

In addition to setting up education and training programmes for member co-op directors, managers, and staff, a major contribution of Yuill's was his initial conception and bringing-to-life of subsidiary firms specialized in digital technologies: one to ensure farm data ownership and livestock movement traceability (called ScotEID); and another providing 'software systems for environmental monitoring and digital connectivity into remote hard-to-reach places' (called SmartRural).

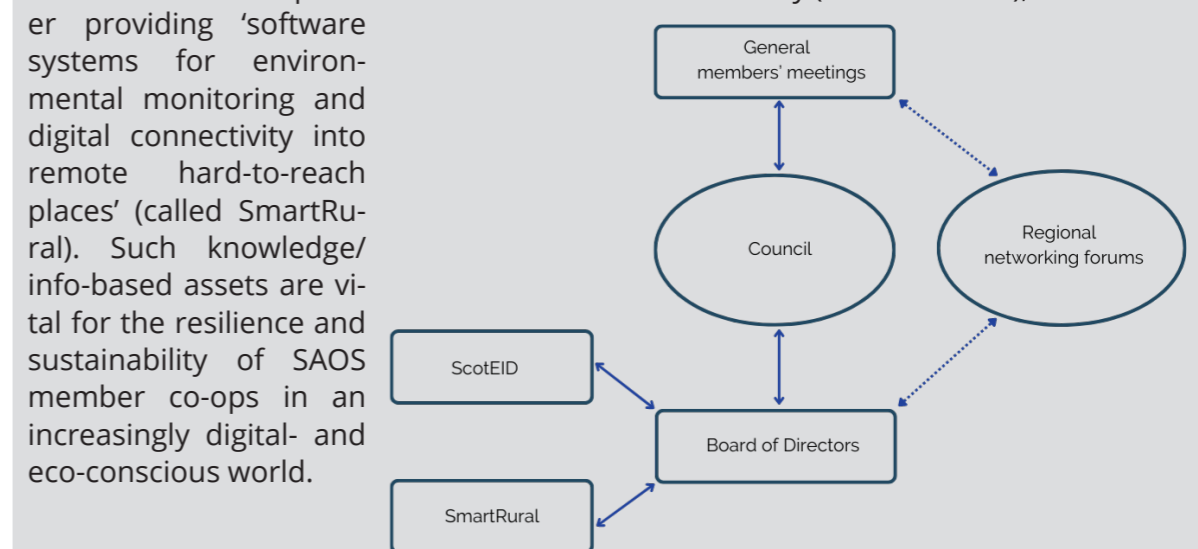


Figure 6. SAOS organizational structure

4. Key takeaways

In summary, context-specific operational alignment with the co-op identity matters to best co-op governance – and hence to the vibrancy and resilience of the cooperative enterprise model (CEM). Humanistic governance is people- and planet-centred in promoting an ethics of care towards both human and non-human nature, in all its diversity. It is participatory and democratic in terms of its organizational structures, processes, and dynamics – in its inclusion of multiple stakeholders, particularly workers, who provide different perspectives and bases of knowledge and information, both from within and from the outside. These varying perspectives are best negotiated within multiple ‘human-sized’ governing bodies, accounting for info- and ethics-based behavioural complexities and healthy conflict resolution capacities – i.e. polycentric network governance.

The logical and, as our case study examples attest, practical outcome is intergenerational co-op enterprise model (CEM) stewardship by current members, with a duty to past members, and in service of current and future members and stakeholders. All of our case studies, regardless of co-op ownership type, adhere to some form of multistakeholder *engagement* (beyond membership) and

hence to varying degrees of *distributed voice and representation (varying in formality)* amongst CEM members/stakeholders. It is for the co-op members to decide, based on their unique circumstances, whether or not this is best formalized through multistakeholder membership (alongside rights and responsibilities), or instead is operationalized through the CEM’s management and governance practices. That said, theoretical consideration suggests that genuine distributed control ultimately implies a matching distribution of ownership (through membership). Multistakeholder governance might even potentially serve as a pragmatic steppingstone to the ideal of worker-inclusive multistakeholder co-op ownership and control, at least where circumstances allow (Lund & Novkovic, 2023).

To conclude, humanistic co-op governance systems are critical to maintaining alignment with the core characteristics of the CEM. In their uniquely diverse manifestations, they help to avoid all-too-common co-op governance pitfalls, from poor communication and lack of transparency to a lack of diverse stakeholder inclusion. Humanistic systems are inherently dignity enhancing; a fitting trait for cooperative enterprise.

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La Participación Femenina en el Cooperativismo Brasileño y Mundial¹

Suzane Grimm² y Dimas de Oliveira Estevam³

Women's Participation in Brazilian and World Co-operativism

Abstract

This article analyses women's participation in Brazilian and world co-operativism. The research used a qualitative approach, through bibliographical research of the specialised literature in the area. As a result, it was found that in the context of the trajectory of cooperativism worldwide, there are divergences in the literature on female participation at the beginning of the cooperative movement, with the name of Eliza Brierley generating consensus as the first female member of the Rochdale Cooperative, in 1846. With regard to the institutions that promote women's participation in the world co-operative movement, the actions of the Co-operative Women's Guild (CGW) and the International Co-operative Alliance (ICA) stand out. Within the Brazilian cooperative movement, it is clear that international asymmetries are reproduced. The contribution of the OCB (Organisation of Brazilian Cooperatives) with the creation of the Gender and Integrated Development in Cooperatives Committee (GEDEIC) and of the federal government with the institution of the Coopergénero programme in 2004 stand out. However, the latter initiative has suffered a series of limitations in its actions in recent years due to budget cuts and the lack of political support with the changes of government.

Keywords: women's participation, women in cooperativism, cooperative movement, women in cooperatives

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La participation des femmes au coopérativisme brésilien et mondial

Résumé

Cet article analyse la participation des femmes au coopérativisme brésilien et mondial. La recherche a utilisé une approche qualitative, par le biais d'une recherche bibliographique de la littérature spécialisée dans le domaine. Il ressort que dans le contexte de la trajectoire du coopérativisme mondial, il existe des divergences dans la littérature sur la participation des femmes au début du mouvement coopératif, le nom d'Eliza Brierley faisant consensus en tant que première femme membre de la coopérative de Rochdale, en 1846. En ce qui concerne les institutions qui promeuvent la participation des femmes dans le mouvement coopératif mondial, les actions de la Guilde des femmes coopératives (CGW) et de l'Alliance coopérative internationale (ACI) se distinguent. Au sein du mouvement coopératif brésilien, il est clair que les asymétries internationales sont reproduites. La contribution de l'OCB (Organisation des coopératives brésiliennes) avec la création du Comité pour le genre et le développement intégré des coopératives (GEDEIC) et du gouvernement fédéral avec l'institution du programme Coopergénero en 2004 est remarquable. Cependant, cette dernière initiative a souffert d'une série de limitations dans ses actions au cours des dernières années en raison de coupes budgétaires et du manque de soutien politique avec les changements de gouvernement.

Mots-clés: participation des femmes, femmes dans le coopérativisme, mouvement coopératif, femmes dans les coopératives

La Participación Femenina en el Cooperativismo Brasileño y Mundial

Resumen

El artículo analiza la participación femenina en el cooperativismo brasileño y mundial. En la investigación se utilizó el abordaje cualitativo, mediante la investigación bibliográfica de la literatura especializada en el área. Como resultado se constató que en el ámbito de la trayectoria del cooperativismo mundial existen divergencias en la literatura sobre la participación femenina en el inicio del movimiento cooperativista, siendo el nombre de Eliza Brierley el que genera consenso como la primera mujer miembro de la cooperativa Rochdale, en 1846. Con relación a las instituciones que fomentan la participación de las mujeres en el cooperativismo mundial, se destacan las acciones de la Co-operative Women's Guild (CGW) y la Alianza Cooperativa Internacional (ACI). En el ámbito del movimiento cooperativista brasileño es notorio que se reproducen las asimetrías internacionales. Se destaca la contribución de la OCB (Organización de Cooperativas Brasileñas) con la creación del Comité de Género y Desarrollo Integrado en Cooperativas (GEDEIC) y del gobierno federal con la institución del programa Coopergénero en 2004. Sin embargo, esta última iniciativa viene sufriendo una serie de limitaciones en sus acciones en los últimos años en función de la reducción presupuestaria y la falta de apoyo político con los cambios de gobierno.

Palabras clave: participación femenina, mujeres en el cooperativismo, movimiento cooperativista

1. Introducción

La historia del cooperativismo es, de manera general, retratada como una historia de inclusión y de lucha por derechos. Entre los valores abarcados por el cooperativismo moderno, se destacan los principios vinculados a la equidad y la justicia social, lo que para las poblaciones marginadas puede representar una oportunidad de apartarse de la exclusión social. Singer y Souza (2000) observan que las iniciativas cooperativistas representan para los/las trabajadores/as que componen grupos minoritarios, especialmente las mujeres y los negros/as, víctimas de la discriminación por género y raza, la posibilidad de conquistar su ciudadanía y la valoración de su trabajo. Por estos motivos, es oportuno comprender la participación femenina en la construcción de este importante movimiento que se puede presentar como un camino para lograr la visibilidad de las mujeres en la sociedad a través de su trabajo.

Sin embargo, cuando se trata de los asuntos de género, los registros de la participación de las mujeres en la construcción del cooperativismo mundial muchas veces son imprecisos e incluso controversiales. Este hecho no es novedoso considerando que la participación femenina ha sido permanentemente ocultada en la historia de la humanidad (Saffioti, 2004). No obstante, aunque la participación de las mujeres no sea reconocida, sería muy improbable que, considerando el momento histórico en el que emergió el movimiento cooperativista, las mujeres no estuvieran involucradas en las primeras experiencias cooperativistas (Wirth, 2010).

De acuerdo con lo anterior, este artículo tiene como objetivo analizar la participación femenina en la trayectoria del cooperativismo mundial y brasileño. El proceso metodológico usado para la realización de este estudio fue la investigación bibliográfica, a través de artículos, libros y páginas especializadas. A partir

de la información recopilada fueron realizados análisis a la luz de las referencias teóricas seleccionadas, y, de esa manera, fue posible comprender la trayectoria de la participación de las mujeres en la historia del cooperativismo y las principales acciones internacionales y en el territorio brasileño, de instituciones vinculadas al cooperativismo que buscan contribuir en la disminución de las asimetrías en la participación entre hombres y mujeres.

Para ese fin, este artículo está estructurado con una sección metodológica que relaciona los métodos, instrumentos y las técnicas de análisis; a continuación, una sección con la presentación de los resultados encontrados a partir de los métodos utilizados en el desarrollo de la investigación y con la discusión de los resultados más relevantes considerando las bases teóricas y los objetivos trazados; finalmente, una sección con las consideraciones finales sobre el tema.

2. Metodología

Con el objetivo de aclarar los procedimientos metodológicos adoptados, cabe señalar que el abordaje utilizado en la investigación fue de naturaleza cualitativa, que, de acuerdo con Denzin y Lincoln (2006), abarca un extenso campo de investigación que incluye un universo de temáticas complejas y disciplinas diversas.

Buscando atender los objetivos propuestos en la investigación, fue realizada una indagación exploratoria que, de forma general, contribuye en la profundización de los conocimientos sobre el asunto estudiado, haciendo que sus resultados posibiliten el surgimiento de otras investigaciones con nuevos abordajes, lo que hace que ese tipo de investigación sea muy común en estudios bibliográficos (Carvalho et al., 2019).

En ese sentido, con relación a los procedimientos de recopilación de datos, fue adoptada la investigación bibliográfica, que se caracteriza por utilizar registros y categorías teóricas disponibles a partir de indagaciones realizadas previamente por otros/as investigadores/as. Por lo tanto, los textos existentes son usados como fuentes de los temas investigados, permitiendo que el/la investigador/a trabaje partiendo de las contribuciones de autores/as de los estudios analíticos presentes en los textos (Severino 2013).

Para ello, fueron realizadas pesquisas en la literatura especializada del área, especialmente en libros de referencia, revistas científicas, artículos académicos, textos publicados en conferencias del área, páginas oficiales de las instituciones investigadas, así como publicaciones e información recopilada en páginas oficiales del gobierno. A partir de la información obtenida fueron realizados análisis a la luz de las referencias teóricas seleccionadas y fue posible comprender la trayectoria de la participación de las mujeres en la historia del cooperativismo, y las principales acciones internacionales y en el territorio brasileño, de instituciones vinculadas al cooperativismo, a favor de la disminución de las desigualdades de género.

3. La participación femenina en el cooperativismo mundial

Al buscar entender la participación femenina en la construcción de la historia del cooperativismo, es notable la escasez de información, además de la gran dificultad de encontrar datos precisos, sobre la participación histórica de las mujeres en el inicio del movimiento cooperativista moderno. Ese hecho, empero, no se presenta como una novedad, considerando que la participación femenina ha sido

constantemente escondida a lo largo de la trayectoria de la humanidad en las más diversas áreas.

Aunque su participación no sea reconocida, según Wirth (2010), sería poco probable que las mujeres no estuvieran involucradas en las primeras experiencias cooperativas, especialmente considerando el momento histórico en el que surgió el movimiento cooperativista moderno, es decir, con el inicio de la Primera Revolución Industrial, en la que se apropiaba la mano de obra de las mujeres (claramente las más pobres) y su presencia era masiva en las fábricas.

Cuando se busca reconstruir el origen del cooperativismo moderno para comprender la participación de las mujeres en el inicio de este movimiento, muchas fuentes citan la participación de Ann Tweedale entre los 28 tejedores que componían el grupo de los pioneros de Rochdale, una información que, sin embargo, no está confirmada en fuentes oficiales. Buscando desentrañar ese desencuentro de datos, Stein y Godarth (2020) investigaron esa información y, a través de indagación, refutaron la afirmación según la cual existió una mujer entre los tejedores de Rochdale, constatando, con ello, que esa idea falsa está ampliamente divulgada en el mundo académico.

Oficialmente, la primera mujer miembro de la cooperativa de Rochdale fue Eliza Brierley, una tejedora que en 1846 se asoció a la cooperativa, en funcionamiento hacía 16 meses. Eliza Brierley fue citada en una declaración para el Día Internacional de la Mujer, en 2018, por la Alianza Cooperativa internacional (ACI), que destacó la importancia que Eliza tuvo como primera participante mujer en convertirse en miembro efectivo de la cooperativa, lo que alentó a otras mujeres a hacer parte del movimiento (Zea, 2018).

Otra mujer que tuvo una importante contribución en el movimiento cooperativista fue Alice Acland, conocida por publicar en

el periódico "Co-operative Women's Guild" (CWG) o Liga Cooperativa de las Mujeres, institución creada para ampliar la unión cooperativa en 1883. Desde su creación la CGW participó activamente en la lucha por los derechos de las mujeres realizando campañas y fomentando el desarrollo de las capacidades de sus miembros para participar en la vida pública (Co-operative Heritage Trust, 2022).

Al estudiar la función internacional de la "Co-operative Women's Guild" y, particularmente sus actividades para la paz mundial, Black (1984) recuerda que, por ser un movimiento inicialmente influenciado por el socialismo, la idea fundamental en la fundación de la cooperativa de Rochdale sería la creación de una comunidad cooperativa en la que la producción para el uso fuera el principio guía. La dinámica instalada sería básicamente una unión cooperativa ampliada en la que los consumidores, que también eran trabajadores y productores, serían los dueños y administrarían todas las instalaciones. Dada la función de esa estructura, el resultado fue que, en la Inglaterra del siglo XIX, las mujeres fueron cruciales para la decisión sobre las membresías de la cooperativa, pues ellas eran vistas como las principales responsables por las demandas domésticas de los hogares (Black, 1984).

Es en ese sentido que, para la autora, el apoyo de las mujeres al movimiento cooperativo se volvió imperativo. Su principal función era educar a otras mujeres sobre las ventajas del consumo cooperativo. Sin embargo, Black (1984) resalta que, a pesar de que la tienda original en Toad Lane hubiera sido creada y ejecutada por hombres y mujeres conjuntamente y con la participación igualitaria de ambos sexos, y de que estuviera prevista formalmente en los primeros documentos del grupo, con el paso del tiempo las mujeres fueron excluidas por la práctica, no así al principio. Inclusive la Liga de las Mujeres,

especialmente al comienzo, tuvo la precaución de distinguir entre los aspectos más masculinos del movimiento (en el que la dimensión financiera se destacaba), y los más femeninos o domésticos, en los que la pericia de las amas de casa sería relevante en términos de asuntos como la calidad o la atracción de mercancías.

De este modo, la autora observa que el aspecto central relacionado con el lugar de la Liga dentro del movimiento cooperativo ha sido la comprensión del papel de las mujeres como consumidoras y, al mismo tiempo, cuestiona el impacto de ese papel en el activismo político. En resumen, para Black (1984), la creación de la Liga fue una iniciativa de las mujeres que, no obstante, se formuló para atender a una situación creada por una cooperativa formada por hombres.

Cabe señalar, sin embargo, que a pesar de que las discusiones del grupo estuvieran en su mayoría centradas en aspectos considerados típicamente femeninos, las mujeres cooperativistas se destacaron y desempeñaron una importante función en relación con las preocupaciones generales del movimiento cooperativo, particularmente en los programas para la paz, formulados a partir de la creación de la "International Co-operative Women's Guild - the Mothers'International" (ICWG) o Asociación Internacional de Mujeres Cooperativas - o Madres Internacionales, en 1921. Por ello, la autora señala que, a pesar de que el fortalecimiento internacional de la Liga de las mujeres fue claramente una estrategia para fortalecer el movimiento cooperativista como un todo (y no solamente de las mujeres), fue una tarea que pocos movimientos de mujeres alcanzaron en el mundo (Black, 1984).

Abordando un panorama más reciente, Corrêa (2011) observa que la institución cambió mucho después de la Segunda Guerra Mundial, pues, aunque se haya convertido en una organización internacional y haya continuado siendo

una organización socialista y pacifista, no actuó más como una organización feminista. La autora destaca, sin embargo, que en el auge de su actuación la Liga significó mucho para los movimientos de lucha y reivindicación de los derechos de las mujeres, ejerciendo influencia en cambios importantes como las transformaciones de la legislación laboral, que tuvieron como resultado la inclusión de un salario mínimo para las trabajadoras en 1912; las modificaciones a las leyes del divorcio; la conquista del derecho al voto, efectivo en 1928, además de las luchas por el derecho al aborto y para la atención prenatal para todas las mujeres (Corrêa, 2011). En la actualidad, de acuerdo con la página oficial de la CWG, la institución no funciona más, dando por terminadas sus actividades como una organización nacional en 2016 (Co-operative Women's Guild, 2020).

Otra institución internacional destacada es la Alianza Cooperativa Internacional (ACI) que, aunque no tiene esa función principal, comparte las luchas vinculadas a los derechos de las mujeres y promueve acciones y programas en busca de la igualdad de género. Dichas acciones vienen ganando fuerza especialmente desde 1995, con la creación del Programa de Acción Regional para las Mujeres de América Latina y del Caribe, abarcando áreas estratégicas para atender la creciente participación de las mujeres en el mercado de trabajo. Desde 1996, la ACI estableció, en la Asamblea General realizada en San José de Costa Rica, la Primera Plataforma Continental de la Mujer Cooperativista, buscando una mayor participación de las mujeres en las cooperativas, principalmente en áreas decisivas y cargos de liderazgo (MAPA, 2009).

Más tarde, en 2000, la ACI aprobó el documento "Estrategias de la ACI para la promoción de la Igualdad de Género". Y, en 2004, durante la 13ª Conferencia Regional de la ACI

Américas, realizada en Buenos Aires (Argentina), fueron definidas una serie de políticas sobre igualdad e integración dentro del movimiento cooperativo, al tiempo que se realizó la clasificación de las necesidades para establecer un programa de certificación de la ACI para la igualdad de género (MAPA, 2009). Cabe destacar también la importante contribución de la ACI para la literatura sobre igualdad de género en cooperativas con la publicación de la investigación "Igualdad de género y empoderamiento de las mujeres en cooperativas" que organiza y analiza una serie de textos académicos y experiencias prácticas de mujeres en cooperativas, además de sugerir recomendaciones (ACI, 2016).

Durante la V Cúpula de Cooperativas de las Américas, realizada en 2018 en Argentina, fueron reforzados los compromisos relacionados con la equidad de género en el ámbito de las cooperativas en territorios nacionales e internacionales. La declaración final de la cúpula abordó cuestiones de género en el penúltimo punto de su tercer objetivo, lo que habla sobre el compromiso de integración cooperativa con la alianza mundial para el desarrollo sostenible, y orienta a abarcar la perspectiva de género en las diferentes iniciativas de cooperación internacional para el desarrollo sostenible, así como a buscar el compromiso de la equidad de género en conjunto con los líderes de la integración cooperativa (ACI Américas, 2018). Además, la ACI cuenta con un comité especial enfocado en las acciones relacionadas con la promoción de la igualdad entre mujeres y hombres, llamado Comité de Igualdad de Género (ICA-CEG), anteriormente conocido como Comité Global de Mujeres de la Alianza (ICA Gender Equality Committee, 2022).

Actualmente, aunque existen acciones en favor de la equidad de género en el ámbito de las organizaciones cooperativas internacionales, lo que se observó en la investigación realizada fue que en la tra-

yectoria del cooperativismo las cuestiones sobre las desigualdades de género se mantuvieron casi invisibles en los debates de la mayoría de los grupos vinculados al movimiento cooperativista.

4. La participación femenina en el cooperativismo brasileño

En Brasil, el cooperativismo surge como una forma eficiente de organizar la agricultura capitalizada de exportación y de abastecimiento interno, así como la comercialización de la producción de la agricultura familiar (Veiga y Fonseca, 2001). Sin embargo, en el periodo más reciente, considerando el escenario de crisis económica y política, además de los efectos provocados por la pandemia del covid-19, el cooperativismo ha sido utilizado como una forma alternativa de solucionar el problema del desempleo que afecta a un significativo bloque de los/as trabajadores/as brasileños de las más diversas áreas de actuación. En este escenario, quienes más sufren son los grupos marginales, especialmente las mujeres que, entre otros factores, históricamente nunca han contado con las mismas oportunidades ofrecidas a los hombres en el mercado de trabajo.

En ese contexto, en relación con la participación de las mujeres en el movimiento cooperativista brasileño, es claro que las asimetrías internacionales se reproducen. De la misma manera, algunas organizaciones vinculadas al cooperativismo buscan transformar la realidad brasileña, en lo que tiene que ver con las desigualdades de género, a través de sus acciones. Se destaca la contribución de la OCB (Organización de Cooperativas Brasileñas) que ha promovido iniciativas orientadas a combatir las desigualdades de género y fomentar la participación de las mujeres en las cooperativas.

La OCB es uno de los principales órganos representativos del cooperativismo brasileño y eso se debe mucho al modo como la organización fue instituida, es decir, a través de una ley federal (Ley 5.764 del 16 de diciembre de 1971) y al contexto de la época en la que surgió, una sociedad basada en la producción agrícola. Por ello, la OCB siempre ha estado íntimamente ligada al Ministerio de Agricultura, reflejándose, en consecuencia, en las dinámicas de fiscalización y normatividad de todas las cooperativas durante muchas décadas. Solo en 2003, con la ascensión de Luiz Inácio Lula da Silva a la presidencia de la república se eliminó completamente la representación única de la OCB, haciendo posible la representación múltiple de las cooperativas (Pinho, 2004).

Aun con los cambios en la representatividad, la OCB todavía se configura como una importante institución de cooperativismo en Brasil, siendo muy relevante dentro de la congregación de las cooperativas del país. Sus acciones relativas a la participación de las mujeres en las cooperativas tienen una fuerte influencia en las tendencias presentadas por las organizaciones internacionales y tiene como objetivo principal estimular los debates relacionados con la igualdad de género en cooperativas.

En 1997, la OCB creó el Primer Comité de Género y Desarrollo Integrado en Cooperativas - GEDEIC. El comité, según Pinho (2000), se fundamentó en las recomendaciones de organizaciones internacionales tales como la Organización de las Naciones Unidas (ONU), la Organización Internacional del Trabajo (OIT), y la Organización de las Naciones Unidas para la Alimentación y la Agricultura (FAO), teniendo como característica propia un fuerte énfasis en la participación conjunta, integrada, y en la igualdad de condiciones entre hombres y mujeres en la búsqueda de la paridad de género.

En el año 2000, a través de la resolución

OCB 1/2000, del 18 de agosto, se implementaron medidas que buscaban transformar el GEDEI en un órgano más activo y eficaz. Entre dichas medidas se pueden destacar: la representación mixta, buscando atender las orientaciones de la ACI de tener una participación femenina más grande en el movimiento cooperativista; la descentralización de los Comités de Género, con la creación facultativa de GEDEICs por parte de las Organizaciones de las Cooperativas Estatales, de acuerdo con sus necesidades; y, finalmente, la creación de un Consejo Consultivo de Asesoría del GEDEIC-OCB en asuntos de género y una Comisión Ejecutiva del GEDEIC-OCB, ambos a nivel nacional.

En ese contexto, también es importante destacar la actuación del Estado brasileño que, a través de políticas públicas, desarrolló acciones desde la Secretaría de Desarrollo Agropecuario y Cooperativismo (SDC) buscando la igualdad de género. En 2004 se implementó, a través de la Resolución Ministerial n° 156 el Programa Coopergénero. Teniendo como objetivo principal promover el desarrollo socialmente más justo, el programa buscó adecuar los proyectos según la vocación regional de cada estado brasileño y el ramo particular de cada cooperativa. De manera general, el programa Coopergénero tenía como objetivo contribuir en la disminución de las desigualdades de género en la esfera del cooperativismo brasileño y abarcar el elemento género como política pública (MAPA, 2009).

En términos prácticos, las acciones del programa consistieron especialmente en realizar eventos de sensibilización y concientización, teniendo como objetivo a los líderes cooperativistas, resaltando la importancia de las mujeres para la economía nacional y la necesidad del incremento del número de mujeres en puestos de liderazgo. No obstante, el programa presentó limitaciones estructurales, especialmente al buscar entrelazar las cuestiones de género a los aspectos políticos, econó-

micos, sociales y culturales (Daller, 2010).

En 2018 fue publicado el informe titulado "Programa género y cooperativismo - Coopergénero" elaborado por Rodrigo Gouveia en el ámbito del proyecto de "Fortalecimiento de las políticas públicas para género en la integración y sustentabilidad del cooperativismo brasileño" del Ministerio de Agricultura, Ganadería y Abastecimiento de Brasil (MAPA), que contaba con la financiación de la Unión Europea a través del programa EUROsociAL+. El informe trae una serie de análisis, diagnósticos y recomendaciones acerca del programa Coopergénero. De dicha información, cabe destacar el balance de las acciones realizadas por el programa en el periodo que comprende los años 2004-2017, en el cual entidades de 23 estados brasileños fueron atendidas por el programa y 36 metas fueron ejecutadas, con 60.000 beneficiarias directas y 95.000 indirectas (Gouveia, 2018).

Particularmente desde 2015, de acuerdo con el informe mencionado, debido a sucesivas alteraciones y cambios de gobierno, el Coopergénero tuvo una reducción significativa en sus acciones causada por recortes en el presupuesto y falta de apoyo político. En el momento de la publicación del informe, en 2018, y especialmente en función de los cambios en el escenario político brasileño, el programa se encontraba en una fase de transición con una drástica disminución de sus operaciones y con el surgimiento de nuevos programas por parte del MAPA, como el programa Agro + Mujer, que tenía como objetivo atender de forma más sutil la demanda de las mujeres por promoción de igualdad y espacio en la sociedad, desplazando la lucha por la igualdad de género hacia una perspectiva dirigida a la inserción de las mujeres en el agronegocio.

Actualmente, es decir, en 2022, no fueron encontrados, en el ámbito de esta investigación, datos en los medios digitales que expliquen cuál fue el rumbo

del programa. Al buscar el término "Coopergénero" en el portal de búsqueda *Google* aparecen algunas publicaciones antiguas, incluso el informe citado más arriba, aunque no consta ningún análisis más reciente sobre el programa. Además, al buscar sobre el programa Coopergénero en la página del gobierno, constan solo documentos antiguos y/o sin conexión con el tema. Más específicamente, al utilizar la herramienta de búsqueda en la página oficial del gobierno son arrojados 37 resultados para la búsqueda con la palabra clave "Coopergénero", que de forma desorganizada contiene documentos en su mayoría en formato PDF y que, a pesar de haber sido publicados en años más recientes, se refieren a documentos más viejos. A modo de ejemplo, el primer ítem de la lista nombrado "agricultura/pt-br/agromulher/arquivos/GneroCooperativismoAssociativismo.pdf/view" fue publicado el 26 de noviembre de 2018, pero se refiere al manual "Género, cooperativismo y asociativismo" de 2012. Analizando cada uno de los 37 documentos de la página de búsqueda, ninguno tiene información sobre el panorama actual del programa.

En la esfera del cooperativismo brasileño, así como sucede en el movimiento cooperativista mundial, es posible notar la poca visibilidad atribuida a la participación femenina a lo largo de la historia del cooperativismo. En Brasil, es necesario considerar que, en determinados momentos, como en el periodo de la dictadura militar que duró 21 años (1964-1985), el movimiento cooperativista sufrió privaciones y la libertad de la población fue reducida, y, en esas circunstancias, las mujeres fueron las más afectadas por el régimen militar.

A pesar de eso, el movimiento de mujeres adquirió fuerza durante el proceso de redemocratización brasileño en 1988, ejerciendo fuerte influencia inclusive en la Constitución promulgada en la época. Desde ese momento, y en función de los

logros de los movimientos feministas, en diversos contextos las experiencias de las mujeres alcanzaron más fuerza y visibilidad.

Sin embargo, en el periodo más reciente es posible observar que con el avance del discurso conservador y con la ascensión de este grupo al comando del país, hubo un movimiento que sugiere una serie de retrocesos en lo que tiene que ver con la lucha de las mujeres por espacio en la sociedad y por derechos iguales. El informe titulado "Políticas sociales: seguimiento y análisis" publicado por el IPEA en agosto de 2022, que analiza los principales desafíos en términos de las políticas públicas para la equidad de género, revela un escenario alarmante de desmonte de las políticas públicas para las mujeres desde la llegada al poder de Jair Bolsonaro, que inició en 2019, y del agravamiento de la crisis política y económica con la llegada de la pandemia del covid-19 en 2020 y de la Guerra de Ucrania al inicio de 2022.

De acuerdo con las autoras del informe, los efectos de las acciones gubernamentales en detrimento de las políticas públicas para las mujeres hicieron que el país retrocediera a los niveles de los años noventa, en los que esas políticas eran incipientes y poco eficaces. Más específicamente, al analizar los presupuestos destinados para las políticas públicas para mujeres en 2019 y 2020, las autoras concluyen que estos se remontan a los valores encontrados en los años 2000, además de concentrar sus acciones casi totalmente para solo un área (seguridad pública) y un programa específico, la Central de Atención a la Mujer - Llame al 180. Particularmente, fue constatado que el 96% del presupuesto liquidado en políticas para las mujeres en 2019 y el 74% en 2020, fueron destinados a ese programa y, por lo tanto, no se consideró la necesidad de invertir en un extenso campo de políticas públicas imprescindibles para las mujeres (Tokarski et al., 2022).

Además del cuestionable destino del dinero público, cabe destacar la baja ejecución de los presupuestos disponibles para políticas públicas para las mujeres. De acuerdo con el análisis realizado por Carmela Zigoni, Asesora política del INESC (Instituto de Estudios Socioeconómicos), el gobierno Bolsonaro no utilizó 80,7 billones de reales autorizados en 2020. También, el informe reitera las preferencias de asignación y ejecución de recursos para el programa Llamame 180 en detrimento de programas como la Casa de la Mujer Brasileña, que de los 21,8 millones de reales autorizados para el 2021 gastó solo 1 millón; y de los programas de promoción de autonomía de las mujeres, que en 2019 y 2020 ejecutaron solo 50% del presupuesto autorizado (Zigoni, 2022).

Esa postura, que parte de una visión según la cual las cuestiones de las mujeres se vuelven algo secundario mientras la familia (en su concepción conservadora y tradicional) ocupa un lugar central en las políticas públicas, tiene impacto en la vida cotidiana de las mujeres, pero especialmente en relación con su actividad profesional, lo que hace que las desigualdades ya existentes entre hombres y mujeres en el mercado de trabajo adquieran proporciones cada vez más grandes. Para las autoras, ese

agravamiento se materializa a través de fenómenos diferentes que fueron impulsados en virtud de la forma con la que el gobierno condujo la crisis causada por la pandemia del covid 19, como, por ejemplo: la precariedad en la inserción profesional de las mujeres en el mercado de trabajo; el aumento de la tasa de desesperanza entre las mujeres y el aumento de la carga de trabajo doméstico y reproductivo, que invariablemente recae con más fuerza sobre ellas (Tokarski et al., 2022).

Todos esos retrocesos impactan directamente en las acciones gubernamentales orientadas a las mujeres, inclusive para las mujeres participantes de cooperativas, pues, mientras prácticamente todos los recursos se concentran en acciones para el combate a la violencia doméstica, con foco en la seguridad pública, no habrá esfuerzos ni presupuesto para fomentar acciones y herramientas de incentivo y apoyo para que las mujeres puedan emanciparse. Es necesario hacer énfasis en que el cooperativismo es un importante medio de desarrollo social y económico para las mujeres, empero insuficiente sin el apoyo y la inversión gubernamental, para que las mujeres puedan tener conocimiento y acceso al movimiento.

5. Conclusión

Más allá de las tímidas iniciativas de promoción de la igualdad de género por parte de las organizaciones internacionales y de los órganos representativos del cooperativismo brasileño, el campo académico también carece de estudios que busquen darle visibilidad a la participación de las mujeres en la construcción de la trayectoria del cooperativismo brasileño y mundial. Hacer que la participación de la fuerza femenina en la construcción de la historia sea registrada, es decir, darle visibilidad a las experiencias de las mujeres en la trayectoria del movimiento cooperativo, puede ser una forma de enfrentar las desigualdades de género persistentes en la sociedad, teniendo en cuenta que invisibilizar dicha participación refuerza la idea androcéntrica del hombre como el único responsable por la construcción de la historia.

Los pocos relatos sobre la participación femenina revelan que el movimiento cooperativo todavía necesita avanzar en el tema de las desigualdades de género. La cuestión de las desigualdades no debe ser enfrentada como un problema que afecta solamente a las mujeres, sino que es de toda la sociedad. En la investigación se observó no solamente la poca presencia femenina en el ámbito público, sino también el ocultamiento y la falta de claridad de los registros sobre la participación de las mujeres en la historia del cooperativismo.

Actualmente, aunque existen acciones a favor de la equidad de género en el campo de las organizaciones cooperativas internacionales, lo que se notó en la investigación fue que, en la trayectoria del cooperativismo, las cuestiones sobre las desigualdades de género se mantuvieron casi invisibles en los debates de la mayoría de los grupos vinculados al movimiento cooperativista. En relación con las instituciones que fomentan la participación de las mujeres en el cooperativismo mundial, se destacan las acciones de la Co-operative Women's Guild (CWG) y la Alianza Cooperativa Internacional (ACI).

En relación con la participación de las mujeres en el movimiento cooperativista brasileño es claro que se reproducen las asimetrías internacionales. De la misma manera, algunas organizaciones vinculadas al cooperativismo buscan a través de sus acciones y programas cambiar la realidad brasileña, en relación a las desigualdades de género. En ese sentido, se destaca la contribución de la OCB (Organización de Cooperativas Brasileñas) con la creación del Comité de Género y Desarrollo Integrado en Cooperativas - GEDEIC; y el gobierno federal, con la institución del programa Coopergénero en 2004. No obstante, esta última acción viene sufriendo una serie de limitaciones en los últimos años en función de la reducción presupuestaria y la falta de apoyo político con los cambios de gobierno. Ello robustece el proceso de desmonte de las políticas públicas para las mujeres que es vivido actualmente, comprobado a través de los medios analizados.

Finalmente, en relación con la participación de las mujeres en cooperativas, es posible notar que ese asunto avanzó poco en el transcurso del tiempo y todavía existe un vacío a llenarse con la contribución de las mujeres en ese movimiento, tanto en el pasado como en el presente.

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Trust and Solidarity: The Ethics of Means of Cooperative Housing in Kigali, Rwanda.

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Trust and Solidarity: the Ethics of Means of Cooperative Housing in Kigali, Rwanda

Abstract

With the persisting and rising global housing challenges, there has been increasing research interest in participatory community-led housing provision in both the Global South (Ganapati 2014) and the Global North (Mullins and Moore 2018). These participatory mechanisms can take various socio-spatial and legal forms and include the study of housing cooperatives. This paper draws on qualitative empirical material from a doctoral research project focused on housing cooperatives in Kigali, Rwanda. The discussion in this paper addresses the reasons why housing cooperative members in Kigali perceive the cooperative as the suitable organizational form to meet their housing objectives. The central argument is that the selection of the cooperative as an organization results from the members' considerations of the appropriate 'ethics of means' (Dower 2008) to fulfill their ambitions. These ethical means rest on two values: solidarity and trust. As part of a cooperative organization, members aim to preserve the value of solidarity throughout their projects and to consolidate the value of trust both within the cooperative and between the cooperative and public, financial, and private sector actors. As solidarity is already recognized as a core value in cooperatives (ICA 2015), the insights from housing cooperatives in Kigali invite cooperative scholars and proponents to consider the value of trust as an explicit component of the cooperative identity.

Keywords: trust, trustworthiness, solidarity, housing cooperatives.

Confiance et solidarité : l'éthique des moyens de l'habitat coopératif à Kigali, Rwanda

Résumé

Face à la persistance et à l'augmentation des problèmes de logement dans le monde, la recherche s'intéresse de plus en plus à la fourniture de logements participatifs dirigés par les communautés, tant dans le Sud (Ganapati, 2014) que dans le Nord (Mullins et Moore, 2018). Ces mécanismes participatifs peuvent prendre diverses formes socio-spatiales et juridiques et incluent l'étude des coopératives de logement. Cet article s'appuie sur le matériel empirique qualitatif d'un projet de recherche doctorale axé sur les coopératives de logement à Kigali, au Rwanda. La discussion dans ce document aborde les raisons pour lesquelles les membres des coopératives de logement à Kigali perçoivent la coopérative comme la forme organisationnelle appropriée pour atteindre leurs objectifs de logement. L'argument central est que le choix de la coopérative en tant qu'organisation résulte des considérations des membres sur l'«éthique des moyens» (Dower, 2008) appropriée pour réaliser leurs ambitions. Ces moyens éthiques reposent sur deux valeurs : la solidarité et la confiance. Dans le cadre d'une organisation coopérative, les membres visent à préserver la valeur de solidarité tout au long de leurs projets et à consolider la valeur de confiance tant au sein de la coopérative qu'entre la coopérative et les acteurs des secteurs public, financier et privé. Comme la solidarité est déjà reconnue comme une valeur fondamentale des coopératives (ACI, 2015), les observations des coopératives d'habitation de Kigali invitent les chercheurs et les partisans des coopératives à considérer la valeur de la confiance comme une composante explicite de l'identité coopérative.

Mots clés: confiance, fiabilité, solidarité, coopératives d'habitation, Rwanda

Confianza y Solidaridad: la Ética de los Medios de Vivienda Cooperativa en Kigali, Ruanda

Resumen

Con los persistentes y crecientes desafíos mundiales en materia de vivienda, ha aumentado el interés de la investigación en la provisión participativa de vivienda dirigida por la comunidad, tanto en el Sur Global (Ganapati, 2014) como en el Norte Global (Mullins y Moore, 2018). Estos mecanismos participativos pueden adoptar diversas formas socioespaciales y jurídicas e incluyen el estudio de las cooperativas de vivienda. Este documento se basa en material empírico cualitativo de un proyecto de investigación doctoral centrado en las cooperativas de vivienda en Kigali, Ruanda. La discusión en este documento aborda las razones por las que los miembros de las cooperativas de vivienda en Kigali perciben la cooperativa como la forma organizativa adecuada para cumplir sus objetivos de vivienda. El argumento central es que la selección de la cooperativa como organización es el resultado de las consideraciones de los miembros sobre la «ética de los medios» (Dower, 2008) adecuada para cumplir sus ambiciones. Estos medios éticos se basan en dos valores: la solidaridad y la confianza. Como parte de una organización cooperativa, los miembros aspiran a preservar el valor de la solidaridad en todos sus proyectos y a consolidar el valor de la confianza tanto dentro de la cooperativa como entre la cooperativa y los agentes de los sectores público, financiero y privado. Dado que la solidaridad ya se reconoce como un valor fundamental en las cooperativas (ACI, 2015), las ideas de las cooperativas de vivienda en Kigali invitan a los estudiosos y defensores de las cooperativas a considerar el valor de la confianza como un componente explícito de la identidad cooperativa.

Palabras clave: confianza, fiabilidad, solidaridad, cooperativas de vivienda, Ruanda

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1. Introduction

The recurring theme in housing-related research publications and policies about Rwanda's capital city of Kigali is the extent of the affordable housing gap. Policy-oriented reports have projected the growing demand for affordable housing and identified constraints in housing delivery (Bower et al., 2019; Gardner et al., 2019). In line with the global orientation towards enabling housing policies (Wakely, 2016), Rwandan policies (MINECOFIN, 2013) lend their support to affordable housing delivery through the private sector and public-private partnerships. Housing projects through those channels have increased in the past decade, with the largest planned and ongoing developments involving international developers and financiers and institutional partnerships with the Rwanda Social Security Board and the Rwanda Development Bank (Kwibuka, 2015; Nkurunziza, 2018; Tsinda and Mugisha, 2018). Though these mechanisms have added to the supply of urban housing, they have arguably failed to make a dent in the affordable housing shortage because their housing units fall outside the price range affordable to most Kigali's residents (Goodfellow, 2017; Mwai, 2018). With the shortcomings in formal affordable housing delivery, the informal sector remains the primary source of housing as it provides sufficient amounts of dwellings at affordable prices (MININFRA, 2015). The socioeconomic makeup of the residents of informal settlements is not limited to the lowest income brackets as middle-income households also resort to informal areas due to the limited supply and unaffordability of formal housing (Mathema, 2012).

The challenges of affordable housing extend beyond the boundaries of Kigali as the housing crisis is playing out on a global scale. Addressing the dearth of affordable housing is a rallying call for housing scholars and constitutes an urgent problem to tackle in Rwanda (Nkubito and

Baiden-Amisshah, 2019), in Africa (El-hadj et al., 2018), and worldwide (Madden and Marcuse, 2016). Due to the persisting and rising housing challenges, there has been increasing research interest in participatory community-led housing provision. These self-help mechanisms can take various socio-spatial and legal forms and include the housing cooperative model. Given the retreat of the public sector in housing provision and the profit-driven considerations of the private sector, self-built and self-managed housing becomes an alternative and at times the only avenue for affordable housing access in both the Global South (Ganapati, 2014) and the Global North (Mullins and Moore, 2018). The values and organizational principles of cooperatives echo the principles and practices of self-help housing (Ganapati, 2014). The International Cooperative Alliance (ICA) defines a cooperative as an «autonomous association of persons united voluntarily to meet their common identified social, economic, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise» (ICA, 1995). This definition is complemented by principles and values, including solidarity and self-help, that detail the distinct identity of cooperatives and suggest the transformative potential of those organizations (ibid).

Given the global urgency of the affordable housing crisis, research on housing cooperatives has primarily focused on their potential for housing delivery. This paper takes a step back to evaluate what positions the cooperative model as an advantageous conduit for affordable housing delivery. In particular, the discussion focuses on the reasons why housing cooperative members in Kigali perceive the cooperative as the suitable organizational form to meet their housing objectives. Framing the discussion in this manner offers insights into the cooperative identity and sheds light on what else beyond housing can be built and reinforced through housing cooperatives. The paper's central argument

is that the selection of the cooperative as an organization results from the members' considerations of the appropriate «ethics of means' (Dower, 2008) to fulfil their ambitions. These ethical means rest on two values: solidarity and trust. As part of a cooperative organization, members aim to preserve the value of solidarity throughout their projects and to build the value of trust both within the cooperative and between the cooperative and public, financial, and private sector actors. As solidarity is already recognized as an integral value in cooperatives (ICA, 2015), the insights from housing cooperatives in Kigali invite cooperative scholars and proponents to consider the value of trust as an explicit component of the cooperative identity. Before diving into the discussion of the empirical material, the following section lays out the research design and the analytical framework of «ethics of means' used in the paper. The third section addresses the intentional choices made by cooperative members to strengthen their solidary bonds. Section 4 illuminates the ways members institutionalize their mutual trust and envisage the benefits of building a trustworthy reputation through their cooperatives. The discussion and conclusion section reflects on why trust is an essential outcome and enabler of the cooperative model and should therefore be recognized as a core value of the cooperative identity.

2. Research design and analytical framework

In the context of urban Africa, the volume and the nature of research on housing cooperatives remain scarce. The majority of research is oriented towards agricultural and savings and credit cooperatives that dominate the landscape of the African cooperative movement and largely retain a rural character (see Develtere and Pollet, 2008). The doctoral project from which

this paper is derived adds to the empirical and conceptual knowledge about housing cooperatives in urban African contexts. Kigali is treated as an instrumental case study (O'Reilly, 2012) of an African city with an under-researched but growing housing cooperative movement and with affordable housing challenges that warrant close attention to alternative models of housing provision. Like a dozen other African states, the Rwandan government has reviewed and instituted policies that form the backdrop of the modern cooperative system and delineate state responsibilities in the legislation, registration, and training of cooperatives (Theron, 2010). In 2005, the Ministry of Trade and Industry (MINICOM) assembled the Task Force on Cooperative Promotion which set the groundwork for an enabling environment for cooperatives through policy and regulation (Mukarugwiza, 2010). The National Policy on Promotion of Cooperatives would be published a year later (MINICOM, 2006) with direct references to the definition of cooperative values, principles, and classifications established by the ICA and the International Labour Organization (ILO). The revised national policy of 2018 restates the ICA cooperative principles as guiding tools for the promotion of and support to cooperatives in Rwanda (MINICOM, 2018). Following the publication of the first national cooperative policy in 2006 was the creation of the Rwanda Cooperative Agency (RCA), a public institution in charge of the registration, training, and overall promotion of cooperatives at a national level (Mukarugwiza, 2010).

As of the start of data collection in November 2018, over 8,000 cooperatives in economic sectors ranging from agriculture to mining and handicraft were registered in Rwanda (RCA, 2018). Kigali counted about 1,250 cooperatives with a total membership of over 350,000 people (about a quarter of the city's population) (ibid). The 79 housing cooperatives in Kigali amounted to a small portion

of the overall cooperative ecosystem predominantly made up of savings and credits cooperatives and agriculture cooperatives. However, the concentration of housing cooperatives in the capital city was noteworthy given that a total of 156 housing cooperatives were registered nationwide. The purposive sample was further narrowed down to only include housing cooperatives with the primary purpose to build residential housing for their members. The initial purposive sample counted 14 of such cooperatives and the final sample was made up of 8 cooperatives. The 9-month fieldwork period relied on qualitative data collection with semi-structured interviews with 69 housing cooperative members and with participant-observation during the assemblies of 3 different cooperatives. Qualitative interviewing is an effective method to build an understanding of research participants' beliefs, perceptions, and ways of making meaning of their life experiences (Roulston and Choi, 2018). In particular, semi-structured interviews give the flexibility to researchers to somewhat guide the conversations with key themes while leaving room for the respondent also to shape the conversation (Brinkmann, 2013). As for participant observation, it helps uncover the actions and perspectives that research participants might consider too mundane to even bring up during one-on-one interviews (Guest et al., 2017). Using thematic analysis (Attride-Stirling, 2001) to interpret the qualitative data, sections 3 and 4 present the findings from three cooperatives: *Imbereheza*, *Agaciro*, and *Twubake*. The cooperative names as well as the names of the cooperative members have been anonymised. For clarity, cooperative names are italicised.

The analytical framework that supports the qualitative data analysis is based on an explanatory ethics approach (Gasper, 2004) that focuses on development ethics and particularly on the notion of 'ethics of means' (Dower, 2008). Ethics generally refer to the philosophical study

of morality, meaning the principles, rules, and norms that shape or are meant to shape human behavior (Gyekye, 2011). The interest in ethics extends beyond the field of moral philosophy and has been taken up in development studies among other disciplines. With development understood as a process of change from an initial state into a desired state (Molefe, 2019), the area of study of development ethics is predicated on the premise that first, development is explicitly or tacitly value-laden; and second, when a development path is pursued, it is chosen among multiple other possible paths (Dower, 2008). Specifically, development ethics aim to consider "the values and norms involved in development, often comparing different approaches and seeking a justification for what seems the right approach" (ibid: 184). These considerations apply to the means and to the end goals of development, which is where the notion of 'ethics of means' comes in. These ethics of means focus on both the ethically right ways to pursue development and the right ways to resolve ethical dilemmas (ibid).

The notion of 'ethics of means' constitutes a useful analytical tool to think through why cooperative members chose the cooperative organizational form as the means to their development objectives of housing provision. The tool is relevant given the ways conceptions of the identity and the functions of a cooperative are informed by a set of values and principles. The values of self-help, self-responsibility, democracy, equality, equity and solidarity are foundational to the cooperative movement and are put into practice through the set of principles that guide cooperative activities (ICA, 2015). These values and principles have been disseminated far and wide and inform initiatives for cooperative growth, including the two most recent iterations of national policies for cooperative promotion in Rwanda. Besides the mere fact that they are widespread, these tenets

can serve as conceptual devices to critically evaluate the fundamental *raison d'être* of cooperatives (Okem, 2016). This paper conceptualizes cooperative values as the ethical means to an end and understands the end (i.e., the development being sought out) as the objectives expressed by the cooperative members. The main objectives of housing cooperatives in Kigali unsurprisingly include housebuilding, access to affordable housing and land, and community-making. The cooperatives also aspire to expand their activities to residential real estate provision destined to non-cooperative members. In light of these objectives, the following section presents solidarity as one of the central values in the ethics of means of cooperative housing development in Kigali.

3. Solidarity as an ethic of means

The cooperative *Imbereheza* is a useful departure point to discuss the value of solidarity. The story of that cooperative is firstly a reminder that solidarity does not require the stamp of a legally recognized organization to be enacted and sustained. Bayingana, the cooperative chairperson, shared that he and his fellow cooperative members became acquainted and friendly through their place of worship. They were driven by the spirit of solidarity when forming a savings group in 2013. Two years later, they acquired legal personality as a cooperative. The main reasons to seek legal personality that Bayingana brought up fit under three categories: navigating the process of housing development, defining guidelines of venturing into residential real estate, and facilitating interactions with the public, private, and financial sectors. These reasons also play a part in the decision-making process of the *Agaciro* and *Twubake* cooperatives. The motivation to seek legal personality could have led to an organizational form other than a cooperative, but the now housing cooperative members deliberately chose

the cooperative organization among other options like companies.

The members discarded the company as an option because it risked jeopardizing the sense of solidarity they had fostered prior to seeking legal recognition and that they care to maintain while pursuing their immediate objectives of housebuilding and preparing their possible role as housing providers for non-cooperative members. In the case of the *Agaciro* cooperative, choosing an organization that maintains a certain symmetry between its members is essentially a choice to safeguard the solidarity between the members. Shema, a member of *Agaciro*, explained that preserving solidarity entails ensuring members with more financial means would not simply decide on the future directions of the organization and potentially leave behind the members unable to keep up financially. A cooperative operates based on equal contributions and can therefore accommodate members with varied levels of financial capacity. As part of a cooperative organization, Shema pictures a path towards their goals along which members will stand for and with one another and ensure everyone remains on the same footing and at the same pace.

Cooperative members also recognize the difficulties in upholding and enacting the value of solidarity and mutual support can be difficult to maintain in practice. To bypass those difficulties, cooperatives may simply resort to reconfiguring themselves into companies and fully embrace a liberal, individualist, and capitalist approach. Wangari, from the cooperative *Twubake*, also spoke about the difficulties in safeguarding the value of solidarity against the tempting pull of individualistic needs with the following:

[...] it's been difficult because members of the cooperative are individuals as well, some are more financially able to do their remittances every month as we expect, others are slower to be able to give their

contributions every month. So we have to be patient we each other and that's a difficult part because some want to move faster, others are a bit slower and have to be assisted and pulled along. So that's basically what I see as the main challenge and it requires a bit of patience.

Despite these challenges, the members of *Imbereheza*, *Agaciro*, and *Twubake* were deliberate in their selection of the cooperative as the organizational form that can anchor the value of solidarity in the ways they navigate their various housing development goals. As some members pointed out, preserving that solidarity comes with the balancing act of wanting to move forward with certain ventures while accommodating different levels of financial capacity within the cooperative. The members nonetheless choose to remain faithful to the ideals of solidarity that entail all members remain on an equal footing and progress at the same pace. Selected among other legally recognized organizations like companies, the cooperative organization aligns with the members' values and considerations of the appropriate ethics of means for their end goals.

4. Trust as an ethic of means

While solidarity is a key value for members when pursuing housebuilding, this section addresses the two other reasons members sought out legal personality, namely defining guidelines of building residential real estate and facilitating partnerships with public, private, and financial sector actors. Those objectives rely on another value that is integral to the ethics of means of cooperatives: trust.

Trust can be defined as the willingness of a trustor to act in ways that involve a risk of loss or some form of vulnerability if the trustee does not perform a certain action (Li, 2012; Ostrom and Ahn, 2009). Based on this definition, uncertainty and

interdependence are two conditions tied to trust (McEvily et al., 2005). First, there is the uncertainty that the trustee may behave in ways that lead to negative outcomes for the trustor. The trustor might be compelled to take a leap of faith despite the uncertainty and to rely on the trustee given their interdependence. In other words, the needs of one party would not be met without relying on the other party. Housing cooperatives illustrate a grouping of individuals with interdependent needs. The uncertainty tied to developing trust is alleviated by the members' social affinities and acts of solidarity. However, as some members of the *Twubake* cooperative explain, a foundation of solidarity might not be strong enough to sustain trust.

Sahabo, a member of *Twubake*, discussed the need to create safeguards as the group acquires land and begins their residential real estate projects. Similarly to *Imbereheza*, the cooperative *Twubake* began as an informal savings group. Sahabo greatly values that cooperative members can rely on their social bonds, mutual moral support, and financial assistance in times of joy or sorrow. But these acts of solidarity do not shield them from the potential of disputes arising, especially in light of their growing assets. Sahabo explained that having a legal personality as a cooperative comes with the safety net of being able to settle any major disputes through a judicial route. He assessed that navigating the court system as an informal savings group would be more difficult than as a registered cooperative. Through the cooperative organization, the members of *Twubake* have essentially institutionalized their trust toward one another. As Ostrom and Ahn (2009) posit, trust can be enhanced through institutions that serve as incentives and prescriptions for individuals to behave in trustworthy ways. The cooperative organization and the relative ease of seeking legal recourse in case of disputes incentivize members to uphold trust and safeguard existing and future collective assets.

In addition to the trust within the cooperative, the members seek to be trustworthy in the eyes of financial institutions, the public sector, the private sector, and any other actors that may facilitate and benefit from their projects. As Shema from *Agaciro* succinctly put it, a cooperative organization with legal personality can play the part of a "valid interlocutor." The organization is valid to the extent that it is perceived as trustworthy. Bagorozi, a member of *Imbereheza*, explained the added value of legal recognition may be more about the 'recognition' than the 'legal' aspect. As a cooperative, Bagorozi asserted that he and his fellow members are visible and suggested that making oneself known builds a good and trustworthy reputation because external actors will likely perceive this willingness to be known in a positive light. To illustrate his point about recognition, he noted that their cooperative would not have been as easily sampled for the purpose of this research paper were it not for their legal personality and their listing in the publicly accessible database of registered cooperatives at the Rwanda Cooperative Agency. Their recognition as a cooperative forms one central component of building trustworthiness, signalling that there is nothing to hide or more so that everything the members have to offer is worth showing.

The type of visibility that cooperative members are seeking echoes Kigali-wide and national strategies to create a trustworthy climate to attract domestic and foreign investments (Golooba-Mutebi, 2018). The members of *Twubake* are angling for recognition in the eyes of governmental institutions in the hopes of getting connected with investors who may provide more advantageous financial support than commercial banks. It is therefore important these potential investors perceive the cooperative as a trustworthy organization. Although such connections with investors have yet to happen, *Twubake* has leveraged its level

of visibility towards local government entities and positioned itself as an urban development partner with pressing demands with regards to infrastructure. Because the cooperative intends to add to the affordable housing stock of Kigali, the organization is calling upon district and national authorities to support the cooperative project with infrastructure provision and respect their pledge to provide affordable and densified neighbourhood developments with basic infrastructure

Moreover, signalling trustworthiness to financial institutions was a recurring concern of members across cooperatives. Building a reputation based on trust, visibility, and transparency could help improve their minimal relationship with financial institutions. Housing cooperatives have long been voicing their difficulties to engage with commercial banks and advocating for more manageable loan terms and interest rates (*The New Times*, 2011). Despite slow improvements in the financial landscape, the members are keeping up with their strategies of appeal and advocacy towards financial institutions. Emphasizing trustworthiness is effectively an attempt to lower their perceived risk as potential borrowers. For instance, cooperative members understand their affiliation to a trusted organization as a testament of their commitment to work together on both the short and long-term. In other words, the members trust one another to sustain the efforts towards their shared objectives, including repaying a potential loan that financed their housing developments. It is for these reasons cooperatives would expect financial institutions to perceive them as trustworthy borrowers and ideally cater to their objectives of housing provision with more advantageous loan conditions.

5. Discussion and conclusion: a trusted cooperative identity

With empirical and analytical focus on housing cooperatives in Kigali, this paper shed light on the perceptions of cooperative members about their organizations' identity and on the ways they seek to solidify an ethics of means based on solidarity and trust. While acknowledging the research orientation that frames housing cooperatives as an alternative mode of affordable housing provision, the focus of this paper pertained to the tenets of the cooperative organizational form itself. The analytical framework of the ethics of means enabled a rich discussion and re-evaluation of the perceived distinctive features of cooperatives from the perspective of their members. The values that frame the cooperative identity have practical ramifications in the ways members pursue their objectives, hence the relevance of the notion of ethical means and value-laden considerations to reach developmental ends.

Solidarity is already recognized as a core value of the cooperative identity. In the case of housing cooperatives in Kigali, the enactment of this value is exemplified through the selection of the cooperative as an organizational form. As most housing cooperative members began their associational journey in informal savings groups, their familiarity and appreciation of practices of solidarity are already strong. What cooperative organizations offer is a conduit to preserve said solidarity as the nature of the members' development objectives evolves. The members appreciate the added value of legal personality in their housing development trajectory but are cautious of organizational forms that would jeopardize their sense of mutuality. Solidarity is therefore an essential component of the ethics of means that cooperative members care to preserve.

However, solidarity is supported and sustained by another core value: trust. The value of trust serves as an essential

building block to support the integrity of the solid, but not entirely fail-safe, structure of the cooperative identity. Cooperative members recognize the limitations of the ethics of means of solidarity in shielding their housing objectives from potential mishaps. In the case of housing cooperatives, the members envisage not only providing housing for themselves but also venturing into residential real estate catered to non-cooperative members. As the organizations acquire and expand their assets, being solidary is not sufficient to safeguard the members' individual and collective stakes. Therefore, institutionalizing trust through a cooperative builds incentive for the members to act in trustworthy ways for the benefit of collective ownership and shared aspirations.

Moreover, the value of trust shapes not only intra-cooperative relationships but also has ramifications on the possible interactions between cooperatives and other stakeholders in urban housing development. In fact, housing cooperative members are intentional in building a trustworthy reputation in the eyes of financial, private, and public sector actors. Trustworthiness in part relates to the legal recognition of cooperatives, especially when it comes to the level of visibility that legal personality affords them. The members aim to leverage their visibility to secure funding for their projects and partnerships with the private sector, make demands on governmental entities, and lower their perceived risk level as borrowers in financial institutions.

As this paper argued, cooperative members are deliberate in choosing the cooperative as an organizational form due its interplay of solidarity and trust. Academic and practitioner circles should therefore consider the cooperative members' understandings of their own organizations' identity and position trust as an integral value of the cooperative identity.

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Corporate Social Responsibility and Transitions: Renewals and Challenges for the Cooperative Identity - Some Reflections from the French Case

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Corporate Social Responsibility and Transitions: Renewals and Challenges for the Cooperative Identity - Some Reflections from the French Case

Abstract

How can the cooperative business model originally contribute to the social and environmental transition issues? In which extent and in which manner the needs created by the demands of transition challenge the cooperative identity? Is CSR a lever that cooperatives can use to reveal their identity and account for their contribution to transition? Based on observations mainly from the French case, we show that the cooperative revival carried by multi-stakeholder cooperatives in particular opens up a new field of practices and creativity oriented towards transition. These dynamics shift the cooperative identity from a collective interest to a contribution to the common good. We then question the low recognition of these dynamics and more globally the low recognition of the contribution of cooperatives to the responsibilities of the enterprise and to the transition.

Responsabilité sociale des entreprises et transitions : renouvellements et défis pour l'identité coopérative - Quelques réflexions à partir du cas français

Résumé

Comment le modèle d'entreprise coopératif peut-il contribuer de manière originale aux enjeux de la transition sociale et environnementale ? Dans quelle mesure et de quelle manière les besoins créés par les exigences de la transition interpellent-ils l'identité coopérative ? La RSE est-elle un levier sur lequel les coopératives peuvent s'appuyer pour révéler leur identité et rendre compte de leur contribution à la transition ? A partir d'observations principalement issues du cas français, nous montrons que le nouveau coopératif porté par les coopératives multi-acteurs en particulier ouvre un nouveau champ de pratiques et de créativité orienté vers la transition. Ces dynamiques font évoluer l'identité coopérative d'un intérêt collectif vers une contribution au bien commun. Nous questionnons alors la faible reconnaissance de ces dynamiques et plus globalement la faible reconnaissance de la contribution des coopératives aux responsabilités de l'entreprise et à la transition.

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Responsabilidad Social de las Empresas y Transiciones: Renovaciones y Desafíos para la Identidad Cooperativa - Algunas Reflexiones a partir del Caso Francés

Resumen

¿Cómo puede contribuir originalmente el modelo empresarial cooperativo a las cuestiones de transición social y medioambiental? ¿En qué medida y de qué manera las necesidades creadas por las exigencias de la transición desafían la identidad cooperativa? ¿Es la RSE una palanca que las cooperativas pueden utilizar para revelar su identidad y dar cuenta de su contribución a la transición? Basándonos principalmente en observaciones del caso francés, mostramos que el renacimiento cooperativo llevado a cabo por las cooperativas multipartitas en particular abre un nuevo campo de prácticas y creatividad orientadas hacia la transición. Estas dinámicas desplazan la identidad cooperativa de un interés colectivo a una contribución al bien común. A continuación, cuestionamos el escaso reconocimiento de estas dinámicas y, más globalmente, el escaso reconocimiento de la contribución de las cooperativas a las responsabilidades de la empresa y a la transición.

1. Introduction

At an international level, there is now a growing consensus on the need to tackle economic, social and environmental transitions, reinforced by the recent health crisis and the war in Ukraine. The devastating socio-economic effects of the failure of the corporate governance model and the methods of the new public management are being pointed out. This willingness to transition has deeply inspired the 2030 Agenda with the achievement of the Sustainable Development Goals (SDGs) (OECD-FAO, 2017; OECD, 2018). In the entrepreneurial field, it has focused on the notion of Corporate Social Responsibility (CSR), which has led to the development of new tools such as the ISO 26000 standard (2010) and its adaptation to the agri-food sector, ISO 26030 (2020). CSR has become a major issue as the main vector of social and responsible commitment, but also as an opportunity to increase societal benefits and/or reduce the negative impacts of market capitalisation and corporate financialisation.

This interest in transitions is also linked to the various reflections aimed at re-

founding the company on pluralistic bases (Porter and Kramer, 2006; Porter, 2008), of which CSR is one of the emanations. The expression of a different vision of the company has found an international response in the new legal forms that have appeared over the last 20 years: Benefit Corporation, Public Benefit Corporation or Social Purpose Corporation in the United States; Community Interest Companies in the United Kingdom; social cooperative in Italy; *société à finalité sociale* in Belgium; *société coopérative d'intérêt collectif* (SCIC) in France, social solidarity cooperative in Portugal; *Società Benefit* in Italy; *Corporacion de Beneficio Social* in Puerto Rico, etc. In France, this reflection is also present in the *Loi Pacte* (Pact Law) voted in 2019, notably in the new status of "mission company". One of the objectives of the Pact Law is to rethink the place of the company in society by offering new tools for responsible governance integrating social and environmental performance: "The mission company (the legal term used to designate the company) is managed in its social interest, taking into consideration the social and environmental issues of its activity" (*Loi Pacte*, 2019, art. 169, p. 107).

By November 2022, nearly 800 French companies had adopted this status, including some SSE actors such as MAIF, Invivo, Harmonie Mutuelle or Crédit Mutuel. Yet, in the French context, the 2014 law on the Social and Solidarity Economy (SSE) already offers the possibility of recognising commercial companies with a social purpose by extending the scope of the SSE to commercial companies that respect the principles of the SSE and by offering the ESUS (*Entreprise Solidaire d'Utilité Sociale*) label to those that also adopt a restricted pay scale. The success of the mission company status shows that the business model proposed by the SSE, especially cooperatives, is too demanding for many companies because of its rules on governance and profit distribution.

Nevertheless, there is a cooperative revival that is important to note. This revival is the result of a double movement at the international level. On one hand, the weakening of state control over cooperatives in recently democratised countries (ex-communist bloc countries or dictatorial regimes), offers a new space of autonomisation and emancipation to cooperatives. On the other hand, in liberal contexts, there is a broadening of the conception of mutual interest (based on the homogeneity of the membership) in the direction of a general interest associating extended stakeholders (volunteers, beneficiaries, citizens, local government...). Thus, Italian social cooperatives (Scalvini and Pezzini, 2022) have influenced the emergence of new status in many other countries including France with the SCIC. It is increasingly involved in the issue of transitions. It contributes to this in an original way due to the specific features of its model, in particular the multi-stakeholder governance that is statutorily organised.

These different dimensions of the context nevertheless exacerbate what we call cooperative tensions. By cooperative tensions we mean the fact that cooperatives are recognised but largely underes-

timated in their capacity to contribute to transitions. Nevertheless, cooperatives have been existing for long and their specific contribution based on their capacity to address socio-economic problems, respond to societal needs, overcome market failures and alleviate problems for customers, members and society is well documented. However, cooperatives have received limited attention in the mainstream organizational literature and are often not considered as a specific organizational model. In France, this cooperative model is little taken into account in recent legislative proposals and its role is often reduced to that of one entrepreneurial form among others to organise employee participation in governance through the specific model of the SCOP (worker cooperative) (Bidet et al. 2019). The debate on the enlargement of stakeholders in governance bodies focuses in fact on the consideration of employees alone alongside shareholders, whereas the cooperative model offers a response based fundamentally on the participation of users or, in its more recent forms such as the *Société Coopérative d'Intérêt Collectif* (SCIC), on a diversity of stakeholders.

How can the cooperative business model originally contribute to the social and environmental transition issues? In which extent and in which manner do the needs created by the demands of transition challenge the cooperative identity? Is CSR a lever that cooperatives can use to reveal their identity and account for their contribution to transition? The objective of this article is to characterise the capacity and originality of cooperatives' responses to the issue of more environmentally friendly and socially responsible transitions and to illustrate their effects on cooperative identity.

We begin by presenting our theoretical framework crossing organisational identity and cooperative renewal as well as the methodology for collecting information. We then discuss our findings on the

contribution of cooperatives to transitions along three dimensions. First, we show that cooperatives make a specific - but little-known - contribution to transition because of their intrinsic characteristics, the specificity of their governance, their ability to blend different institutional logics, and their anchoring in the territories as close as possible to the needs of individuals (Filippi, 2019; Richez-Battesti and Itçaina, 2021). Secondly, we emphasise that their commitment goes far beyond the sole question of employee participation, which is the focus of the social dimension of CSR. Finally, their business model, far from being obsolete, corresponds to societal aspirations and offers concrete and proven proposals to "re-found the company". We conclude with the cooperative identity as one of the levers of the transition.

2. Theoretical anchorage and methodology

From a theoretical point of view, our analysis is in a neo-institutionalist perspective (North, 1991; Kogut and Zander, 1996; Porter and Kramer, 2006). The context, the regulatory and legislative framework constrain the actors while being in turn influenced by their strategies. We cross-reference the approaches to organisational identity and cooperative renewal (Spear, 2012).

On the side of organisational identity, we consider that organisations are 'negotiated cognitive frameworks that organise meaning, motivation, action and significantly influence engagement in creative processes' (Drazin et al., 1999). Organisational identity is defined as 'what individuals see as central, enduring and distinctive about their organisation' (Albert and Whetten, 1985), thus placing the distinctive values and characteristics of organisations at the centre (Oliver and Roos, 2006). Referring to organisational identity therefore allows us to identify the drivers of

mobilisation in cooperatives, the engines of collective action and the levers of creativity within them and on the territories. We adopt an interpretative conceptualisation of organisational identity in the sense of Gioia (1998). We consider that organisational identity and the common sense of which it is the product, are unstable and situated in the sense that it is the result of permanent negotiations in the framework of localised compromises (Bretos et al., 2020). On the other hand, organizational identity is also complex: relies on both visible and hidden or unexpressed elements.

On the cooperative renewal side, Vieta (2010) has provided pioneering work emphasising producer-consumer solidarity, union and community solidarity and a greater concern for sustainability. Inspired by both the cooperative model and the commons movement, Conaty and Bollier (2015) offered a new perspective for the cooperative model by pointing out: 'There is a rich history of the cooperative movement that can guide and instruct contemporary movements that seek to invent new models'. For its part, the commons movement and many associated movements - the SSE, transitional cities, peer production, food relocation, and community land trusts, among others - are already driving fascinating new projects and public policies" (Conaty and Bollier, 2015, p 29). Recent developments in cooperatives challenge the traditional cooperative identity based on a homogeneous membership; they help to distinguish between 'old' and 'new' models and approaches based on new governance models and a different distribution of benefits between cooperative members and society at large. Bauwens and Defourny (2017) express the same idea through what they see as a mix of mutual and general interest and conclude: "Cooperatives can play an important role in transitions towards a sustainable economy through the creation or mobilisation of social capital. Yet different organisational models in this sector may be associated with distinct types and levels

of social capital” (Bauwens and Defourny, 2017, 225). What expresses this work is an increasing diversity among cooperatives. More recently, Camargo Benavides and Ehrenhard (2021) and Ridley-Duff (2020) have particularly documented the revival of cooperatives. Ridley-Duff has particularly emphasised three features of the new cooperatives: “(1) calls for multi-stakeholder ownership and governance; (2) an emerging emphasis on ‘sharing’ and the production of common resources (distributed digital cooperatives such as, DisCOs); and (3) a renewed emphasis on the emancipation of labour through participation in ownership, governance and management.” New cooperatives are notably developed in specific sectors: social action, energy distribution and production, knowledge sharing (digital platforms, fair share models), organic food supply... Giry and Wokuri (2020) highlight the rise of citizen cooperatives as organisations pursuing both activist and economic objectives; cooperatives as a specific form or influence of social movements and cooperatives as a specific form of common pool resource management.

By crossing these two analytical frameworks, we choose to characterise organisational identity by simultaneously addressing (1) new organisational forms, such as SCICs, as ‘enabling rules’, (2) the extended mobilisations of stakeholders and their contribution to the engagement in new products/markets and finally (3) the sensemaking work (Weick, 1995) that takes place within the framework of these processes of collective mobilisation and that allows the emergence of new common frames of reference.

From a methodological point of view, we base our analysis on an in-depth knowledge of the French and international cooperative movement, on which we have been working for the past thirty years, and on examples of French cooperatives that are emblematic of these dynamics, which we have investigated (collective

exchanges, interviews and mobilisation of grey literature).

3. Results: Stronger emphasis of cooperative contribution to the transition issue in France

We have identified three dynamics that jointly express the contribution of cooperatives to transitions, their capacity to rely on their identity to be part of the transition and the resulting identity adjustments.

3.1 Intrinsic characteristics at the heart of the transition, a reinforced commitment

Cooperatives make a specific - but little known - contribution to the transition because of their intrinsic characteristics, the specificity of their governance, and their capacity to hybridise institutional logics in the sense of Thornton and Occasio (1999). The responsible governance that characterises the cooperative model and is expressed in the principle of dual quality and in the strict rules governing the distribution of surpluses, bears witness to the fact that the primary ambition of the cooperative model reconciles economic efficiency and social justice, solidarity and collective action (Roelants, 2013; ICA, 1995). Since their emergence in the 19th century, cooperatives have expressed their ambition to combine an economic dimension with a social or even societal dimension and ICA has introduced in 1995 the 7th principle on commitment to the community. They even displayed a desire to radically transform society and the productive system with what Charles Gide called at the beginning of the 20th century the “Cooperative Republic”. By its intrinsic characteristics, the cooperative model, particularly in its varia-

tions integrating multi-ownership and a strict approach to non-profit, seems today to be in line a priori with the objectives of the transition to a more responsible model and the desire to move away from a shareholder vision of the enterprise (Hansmann, 1999). Cooperative principles are safeguards against speculation, financialisation and relocation because cooperatives are driven by a principle of limited profitability where the logic of action is guided by productive objectives (e.g. improving access to markets, enhancing the value of production or supporting salaried activity, contributing to the well-being of the territory, etc.).

We also note that the commitment of cooperatives goes far beyond the single issue of employee participation, on which the social dimension of CSR is crystallised. They also include an environmental commitment, which is particularly noticeable in platform cooperatives or in new sectors such as energy, where in France an electricity operator such as Enercoop has developed in a pioneering manner on the principle of green energy supply and hocratic governance. In agriculture, the mobilisation around short circuits and organic farming is also significantly supported by actors from the cooperative sector, as illustrated by the French and Italian dynamics. Territorial mobilisation is essential and drives cooperative commitment (Filippi, 2019; Richez-Battesti and Itçaina, 2021). One of the striking characteristics of these dynamics is that they seek to involve all stakeholders more widely and even to display a desire for sobriety in the use of the resources that are mobilised. For example, Enercoop encourages its members to reduce their electricity consumption and to control their use of electricity. On the other hand, some of the traditional cooperatives value their contribution to environmental and social issues by mobilising numerous certifications (Agriconfiance labelling, ISO norms, etc.). These dynamics reflect a notable shift in the practices of cooperatives towards the adoption of good agricultural or commercial practices; however, they do

not mean a general mobilisation of the entire cooperative movement on transitions, nor a radical transformation of their production strategies.

This environmental commitment can go as far as making the construction of the transition their *raison d'être*. Two recent cases in France illustrate this dynamic and their ability to experiment with new solutions.

Les Licoornes, cooperatives for the transition, show a desire to radically transform the economy by building a platform to facilitate citizens' choice and access to a diversified cooperative offer. The ambition carried by Les Licoornes takes up the perspective proposed by Gide's macro-utopia of the cooperative republic by placing it in the current context and by making the SCIC the support of social transformation, whereas Gide relied primarily on the model of the consumer cooperative. The Licoornes bring together nine SCICs that pool their experience and skills: Enercoop, an electricity supplier; Télécoop, a cooperative telecom operator; Mobicoop, a cooperative car-sharing company; Commown, a responsible electronics company; Coop Circuits, a short-distance retailer; La Nef, an ethical banking cooperative; Citiz, a car-sharing company; Railcoop, a citizen railway company; and Label Emmaus, an activist e-shop (Favre, 2021). This grouping is based on a collective founded on common values: limited profitability, shared governance and democracy, and local roots. The *raison d'être* of the Licoornes is centred on the ecological and solidarity-based transition and is expressed in a manifesto that is jointly constructed and widely debated.

The second case concerns the ecological transition cooperatives that are developing to initiate the ecological transition income. Inspired by the work of Swaton (2020) and the Zoin Foundation in Switzerland, the implementation of this income is based on ecological transition cooperatives. The first project, in 2019,

was developed in Grande-Synthe, a town in the north of France considered to be a laboratory for social and environmental innovations (Laurent, 2020). The project is based on a SCIC and a CAE (cooperative of activity and employment with employee entrepreneurs) that formalise employment contracts and pay out income, support people in developing their activities and identify experiments that offer solutions. Here the emphasis is on the importance of involving a wide range of public and private stakeholders with the aim of achieving a common good. The debate on the project and its implementation is presented by the initiators as an essential condition, and above all as a process that is never stabilised, and which implies accepting trial and error. Thus, in 2019, a SCIC, Tilt, was developed around these principles in the Hauts-de-France region. Although these experiments remain marginal, they represent a promise of transition, an illustration of the creativity of cooperatives and their ability to promote a broader cooperative identity.

3.2 Rising interest for recent legal cooperative status and wider mobilization of stakeholders

These dynamics are driven by the development of new forms of multi-stakeholder cooperatives in connection with an evolution of company statutes. Multi-stakeholder cooperatives offer a particularly appropriate framework for the participation of employees, citizens and public authorities through formal rules organising governance. It therefore goes far beyond the participation of a few employee representatives in the governance bodies as in the mission enterprise and thus offers a framework for overcoming the limits inherent in this model as recently demonstrated by the example of Danone. It also guarantees, through formal rules on the allocation of profits, that these will be used for the intended purpose.

A SCIC must have at least three different stakeholder groups, including necessarily workers and beneficiaries and at least one other group such as volunteers, local government, suppliers and others involved in the SCIC's activity. They allocate at least 57.5% of surpluses to a collective reserve; some have adopted rules to allocate all profits to this reserve, thus being de facto non-profit.

These rules on broadening stakeholders and strengthening the allocation of surpluses to the project itself are encapacitating, in the sense that they broaden the mobilisation around the enterprise and the production activities they carry out.

One of the effects of these statutes and of a broad mobilisation of stakeholders is the strengthening of cooperation strategies. These concern the cooperatives themselves, as can be seen in the case of the Licoornes presented above. They can also involve new alliance strategies in the framework of cooperative platforms. This is the case of Plateformcoop in the Hauts-de-France region, which aims to support and provide tools for the structuring of cooperative platforms in the territories, as territorial infrastructures for cooperation, in the service of the ecological and solidarity-based transition. Finally, they can be part of partnerships with private actors outside the SSE as part of strategies for improving access to skills or markets. For example, a SCIC in the south of France is working within the framework of a territorial partnership with a large catering company to supply bread made with organic flour.

Another effect of these new statutes concerns citizen mobilisation and its original contribution to the transition. Indeed, we can observe renewed dynamics of citizen mobilisation in France to respond to mobility issues. More broadly, we can see that they propose alternatives to the network industry, which has gradually had to open up to competition after having remained under public management for a

long time (rail transport, telephony, water distribution, etc.). These dynamics unfold within the framework of multi-stakeholder cooperatives made possible by the SCIC status (Draperi and Margado, 2016). They bring together producers and consumers to invent new responses to needs. They are also part of the renewal of forms of cooperation between cooperatives (inter-cooperation, 6th principle of the ICA), to promote mutualisation with the aim of conquering markets with a requirement for solidarity, accessibility and sustainability (Pastier and Silva, 2019). Finally, they display their *raison d'être* by reexamining and explaining the reasons for their collective project (Bidet et al., 2019). This *raison d'être*, far from being laid down once and for all, in a top-down logic, is the result of debates that are constantly renewed as opportunities arise. Never completely stabilised, it is enhanced by diversified contributions and attention paid to the fact of being accountable and identifying the indicators best able to express their contribution to the common good (Coriat, 2010; Alix et al., 2018). New trends show a stronger articulation between the political dimension and the economic dimension of the cooperative project, bringing meaning back at the heart of the activity both from the point of view of the practices and the activity.

3.3 An underestimated contribution to the re-founding of the company

Finally, their business model, far from being obsolete, corresponds to societal aspirations and offers concrete and proven proposals for "refounding the enterprise" (Chomel et al., 2013). Indeed, for agricultural cooperatives, SCOPs, SCICs or banking cooperatives, the activation of cooperative values is likely to strengthen their commitments not only to their members but also to the community and society (Draperi and Margado, 2016; Eynaud and Laurent, 2017). This integration leads, on the one hand, to guiding the creativity of

cooperatives in their responses to the legitimate aspirations of their members, and on the other hand, to avoiding the potential trivialisation with their adaptation to market rules. For some cooperatives, CSR is becoming a tool for leadership that is consistent with the cooperative principles, strengthening their identity and legitimately taking into account the societal aspirations of their community (Filippi, 2020). These cooperatives thus reaffirm their anchorage in a collective, open and inclusive project. Since the 2000s, several cooperative banking networks in France have seized on CSR as an opportunity to account for their difference - and especially their contribution to local dynamics - and as a tool for (re)mobilising their stakeholders and especially their directors (Richez-Battesti and Boned, 2008). More recently, in June 2021, in France, the Onde de Coop, a festival of cooperatives in transition, expressed the contribution of cooperatives to changing the rules of the game of the dominant economic system. However, these initiatives receive much less media attention than the B-corp certification granted to commercial companies that meet societal and environmental requirements, governance and transparency towards the public, with 5,000 certified companies in 74 countries, including more than 200 in France; or, on a lesser scale, that of the CEO of Patagonia, in the sports and leisure sector, who donated his company's profits to an environmental conservation NGO and transferred his shares to a trust responsible for preserving the brand's ecological values, stating that "the planet is our only shareholder".

For cooperatives, limited profitability, sustainability, collective ownership of capital and shared governance are all vectors of a rethinking of the enterprise, which has already been tried and tested, but is little known but widely inspiring (Dunn, 1988; Pastier and Silva, 2019). Through this re-foundation of the company, the question of sense is central: it is the driving force behind 1) a wider mobilisation of stake-

holders, including citizens, 2) the development of new markets that were previously monopolistic, for which they transform the modes of organisation, governance and production while prescribing the use of profits. These dynamics reaffirm the organisational identity of cooperatives by increasingly anchoring them in their territory through the enlargement of the stakeholders mobilised, especially citizens (Filippi, 2022). They therefore give governance a stronger place as a space for debate between heterogeneous members and assume a vision of surpluses at the service of the organisation.

4. Conclusion

In conclusion, one can only be surprised at the lack of interest in the cooperative model and, more broadly, in the social and solidarity economy enterprise model. This undoubtedly reflects the fact that it is not only unknown, but appears to be both too ambitious and insufficient (Bidet et al., 2019). Too ambitious because it proposes, with democratic governance and strict control of the distribution of surpluses, a radical break with the classic business model, which is not what most of the players want (Celle and Fretel, 2018). Insufficient because the democratic governance inherent in the cooperative model, while it provides guarantees that more varied interests and expectations than those of shareholders are taken into account, is weakened by practices that are often oligarchic. The still too timid communication of cooperatives on what they really do with regard to societal expectations in terms of social inclusion and taking the environment into account, tends to do them a disservice and relegate them to the margins of the expected evolutions. In this sense, the Pact Law and the clarification work it introduces to become a company with a mission could become, for those who choose to commit to it, a lever enabling them to better display what they are, not only in the eyes of their associates, but also in those of all stakeholders, which was only implied until now, to the point of being underestimated or even totally ignored.

However, by placing CSR approaches at the heart of cooperatives, this makes it possible on the one hand to reinforce the visibility and originality of their real commitment to CSR in multi-partnership while on the other hand avoiding the risk of CSR-washing. Our work thus highlights the important role played by new multi-stakeholder organisational forms such as the SCIC in their ability to operationalise new strategies. The growing use of this legal status (+ 88% since 2016) contributes to its legitimisation on the one hand and makes it a creative device on the other. We identify that the broad mobilisations of stakeholders contribute to the commitment to new products/markets previously reserved for large profit-making companies, by putting questions of use at the heart (Dardot and Laval, 2015). Finally, these collective mobilisations are the basis of the sensemaking work (Weick, 1995) which reaffirms the organisational identity of cooperatives. If CSR constitutes an opportunity to reaffirm the values of the organisational identity of cooperatives, and can be considered as an instrument of differentiation rather than isomorphism, the challenge remains that of co-constructing evaluation registers that point to the specificities of cooperatives and reinforce their visibility.

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Diversity of the Cooperative Identity

La diversité de l'identité coopérative

La diversidad de la identidad cooperativa

Decolonising the Co-operative Identity

T. O. Molefe¹

Decolonising the Co-operative Identity

Abstract

Operating from a decolonial epistemic perspective, this paper narrates recent scholarship that points to the need to reopen the debate on the origins and identity of co-operatives. For too long, frameworks for how the global co-operative movement is to be understood have been positioned and continue to be positioned within state-centric Western approaches that emerged in the age of European empire building, which distorted and disfigured global material and cognitive reality, at times with the aid of European co-operative movements and the UN system. A prime example is the global movement's founding tale as captured through the Statement on the Co-operative Identity, which is based on claims that 19th-century western European co-operative movements modernised the ubiquitous human tendency to co-operate as a means of realising needs and aspirations, and did so by securing state recognition of European co-operative models, thus enabling their global diffusion and dominance. Policy, advocacy and academic literature concur, for the most part. However, scholarship synthesised in this paper disputes these claims, which elide yet rely on imperialist, colonialist-era categories and rankings of human. The paper argues that a departure from this Eurocentric thinking, and reparative acts for the harm it caused, are overdue if a truly global co-operative identity and movement are to ever emerge.

Keywords: Co-operative identity, co-operative principles, Recommendation 193, legal pluralism, decoloniality, global South knowledge, Rochdale, International Cooperative Alliance, International Labour Organisation

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Décoloniser l'identité coopérative

Résumé

Dans une perspective décoloniale, cet article présente des travaux récents qui soulignent la nécessité de rouvrir le débat sur les origines et l'identité des coopératives. Pendant trop longtemps, les cadres de compréhension du mouvement coopératif mondial ont été positionnés et continuent d'être positionnés dans des approches occidentales centrées sur l'État qui ont émergé à l'époque de la construction de l'empire européen, qui a déformé et défiguré la réalité matérielle et cognitive mondiale, parfois avec l'aide des mouvements coopératifs européens et du système de l'ONU. Le récit de la fondation du mouvement mondial, tel qu'il ressort de la Déclaration sur l'identité coopérative, en est un exemple frappant. Il repose sur l'affirmation selon laquelle les mouvements coopératifs d'Europe occidentale du XIXe siècle ont modernisé la tendance humaine omniprésente à coopérer pour répondre aux besoins et aux aspirations, en obtenant la reconnaissance par les États des modèles coopératifs européens, ce qui a permis leur diffusion et leur domination à l'échelle mondiale. La politique, la défense des intérêts et la littérature académique s'accordent, pour la plupart, sur ce point. Cependant, les études synthétisées dans ce document contestent ces affirmations, qui éludent les catégories et les classements impérialistes et colonialistes de l'être humain, tout en s'appuyant sur eux. L'article soutient qu'il est grand temps de s'éloigner de cette pensée eurocentrique et de réparer les dommages qu'elle a causés, si l'on veut qu'une identité et un mouvement coopératifs véritablement mondiaux émergent un jour.

Mots-clés: Identité coopérative, principes coopératifs, Recommandation 193, pluralisme juridique, décolonialité, connaissance du Sud global, Rochdale, Alliance coopérative internationale, Organisation internationale du travail.

Descolonizar la Identidad Cooperativa

Resumen

Desde una perspectiva decolonial, este trabajo narra la erudición reciente que apunta a la necesidad de reabrir el debate sobre los orígenes y la identidad de las cooperativas. Durante demasiado tiempo, los marcos de referencia sobre cómo debe entenderse el movimiento cooperativo mundial se han ubicado y continúan ubicándose dentro de los enfoques occidentales estadocéntricos que surgieron en la era de la construcción del imperio europeo, que distorsionó y desfiguró la realidad material y cognitiva mundial, a veces con la ayuda de los movimientos cooperativos europeos y el sistema de las Naciones Unidas. Un ejemplo destacado es la historia fundacional del movimiento global, tal y como se recoge en la Declaración sobre la Identidad Cooperativa, que se basa en la afirmación de que los movimientos cooperativos europeos occidentales del siglo XIX modernizaron la omnipresente tendencia humana a cooperar como medio para satisfacer necesidades y aspiraciones, y lo hicieron asegurando el reconocimiento estatal de los modelos cooperativos europeos, permitiendo así su difusión y dominio globales. La política, la defensa y la literatura académica coinciden, en su mayor parte. Sin embargo, los estudios sintetizados en este artículo cuestionan estas afirmaciones, que eluden las categorías y clasificaciones de lo humano de la era imperialista y colonialista, aunque se basan en ellas. En este artículo se argumenta que, para que algún día surjan una identidad y un movimiento cooperativos verdaderamente globales, es necesario abandonar este pensamiento eurocéntrico y emprender acciones reparadoras por el daño que ha causado.

Palabras clave: Identidad cooperativa, principios cooperativos, Recomendación 193, pluralismo jurídico, decolonialidad, conocimiento del Sur global, Rochdale, Alianza Cooperativa Internacional, Organización Internacional del Trabajo

"We are told that cooperatives started with the Rochdale pioneers in 1844, with no mention of the long history of economic cooperation among all peoples, especially early African societies and First Nations. There is not even a mention of Scottish and US early mutual aid and co-op societies. (Now there is a little.) And definitely no mention of rotating savings and credit arrangements, which almost all people of African descent use and are precursors to credit exchanges and credit unions.

We need to recognize the universalism of economic cooperation, communing, and cooperativism from early African civilizations to First Nations, and every population throughout world history." — Jessica Gordon Nembhard.

1. Introduction

Opening his keynote address to the 31st Congress of the International Cooperative Alliance (ICA) in 1995 in Manchester, historian Ian MacPherson remarked that one of the strengths of the global co-operative movement is the willingness of its leaders to periodically re-examine, with respect and humility, the movement's histories, values and principles (ICA, 1995). In the days following this remark, the ICA adopted the *Statement on the Co-operative Identity*, which was developed by a project team that MacPherson chaired. The Statement is the third and current articulation of the movement's values and principles. It was intended in part to recognise the rich, diverse and global history of co-operatives, with the background paper to the Statement noting that "[t]here is no single tap root from which all kinds of co-operatives emerge" (ICA, 1995, p. 6).

Yet, the background paper goes on to identify 19th century western Europe as the time and place where co-operatives first emerged, with the caveat, "as distinct, legal institutions" (ICA 1995, p. 6). It also clarifies that the Statement was the culmination of efforts by the ICA to recognise, as equals, five distinct co-operative traditions: consumer co-operatives associated with Rochdale, England; worker co-operatives of France; credit co-operatives

of Germany; agricultural co-operatives of Denmark and Germany; and service co-operatives from across Europe. It further says that these traditions are the "main" ones that "spread throughout most of the remainder of the world in the twentieth century" (ICA, 1995, p. 7).

This list and series of claims are striking for what they elide, which is that the spread of European co-operative traditions across the world was not benign. It was part and parcel of European imperialist, colonialist strategies (Windel, 2021; Diamantopoulos, 2021), including dismantling and stifling not only co-operative traditions of the world beyond Europe but also the socio-political governance and legal systems that enabled them (Nyancho-ga, 2019; Windel, 2014). It rested on the belief that the world beyond Europe was lawless in that it was without states, in the Westphalian sense, to enact laws and policies; that it was just nations or tribes with customs, traditions, beliefs and superstitions deprived of the modernising logic of so-called formal rational law (Poesche, 2019; Merry, 2017; Yahaya, 2019).

These efforts did not succeed, not entirely, at least. Co-operative traditions in regions and diasporas subjected to European imperialism and colonialism survived, evolved and continue to inform and organise life - largely without state and other forms of recognition beyond the people and communities who theorise, embody and practice them (Hossein, 2020; Nyancho-ga, 2019; Gordon Nembhard, 2014; Sengupta, 2015; Hossein and Pearson, 2023).

1.1 Reopening the debate on origins and identity

Questions of origins are important because they are deeply intertwined with questions of identity. Origins "create the original frameworks within which movements and organisations are understood, even generations and many changes later" (MacPherson, 2012b, p. 204–5). So, by eliding the foregoing history in how it framed the co-operative traditions it rec-

ognised as the first and primary equals, the background paper (and the Statement implicitly) positioned co-operative traditions that emerged beyond, without, despite and to resist Anglo-American and European influence as secondary, other or non-existent. It suggests that these othered and invisibilised co-operative traditions are irrelevant or immaterial to how co-operatives should be understood in the present.

The Statement was, of course, not intended to exclude, deny or oppress co-operative worlds beyond the Anglo-American and European knowledge circuit. Quite the opposite, it appears. The background paper praises the movement's leaders from Latin America, Africa, Asia and the Pacific for providing the impetus for the process to re-examine the co-operative identity (ICA, 1995). However, despite its inclusive intentions, the process was perhaps fated due to its design to proclaim Anglo-American and European co-operative histories, traditions, forms, theories and practices as the epicentre. As Kamenov (2019) notes with concern, the 'from Europe to the world' diffusionist framing of co-operative origins has long been the accepted dominant position in the movement and the literature. Furthermore, the processes leading in 1995 to the adoption of the Statement seem to have lacked a lens through which to critically examine this troubling framing, as did the processes leading to the adoption of the *Promotion of Cooperatives Recommendation, 2002 (No. 193)* by the International Labour Organisation (ILO) - which incorporated and used the Statement as the foundation for this international labour standard that, while non-binding, has been highly influential in policy-making, especially in the global South, since its 2002 adoption (ILO, 2015).

Today, however, a quarter of a century since the Manchester congress, new scholarship outlined in the coming pages suggests that this debate on the origins of co-operatives should be reopened and the *Statement on the Co-operative Identity* amended accordingly. A primary

contribution of this scholarship has been relitigating the role of legal recognition and the state in enabling co-operative possibilities. It poses a few critical questions: Is the state capable of fully and accurately translating into law and policy over time the evolving repertoire of co-operatives, especially now amid renewed critiques of capitalism, colonialism's afterlives and the interrelated political, economic, social, technological and ecological crises they induced? If not, what are the omissions and distortions, and what are their consequences? Furthermore, while recognition by the state through law and policy may grant co-operatives legitimacy and legibility as autonomous market actors in their own right, separate from member-owners, and as mechanisms for inclusion, development and modernisation within global capitalism, what are the implications of the possibility that this has come at the cost of the movement's more radical constituents' critiques of capitalism and aspirations for cooperativism to serve as an alternative egalitarian system? Whom, in the greater dynamic, does it ultimately serve?

This recent scholarship also shines a critical light on the aforementioned caveat from the background paper - which is accepted in scholarship - that legal recognition drew a clear and definitive line between, on the one hand, activities, customs and practices born of the innate human capacity for co-operating (so-called 'traditional' or 'spontaneous' co-operation) and, on the other hand, those undertaken with the express purpose of co-operating in the pursuit of economic objectives (so-called 'modern' or 'contractual' co-operation). Some of this bracing scholarship has also begun the important work of recognising and visibilising co-operative histories, traditions, forms, theories, knowledge and practices beyond the five recognised at present by the ICA. These othered and invisibilised co-operative knowledges, the scholarship suggests, offer perspectives and concepts that can correct and complete the co-operative identity, thereby enlivening the global movement.

1.2 Towards truly global co-operative scholarship and movement-building

In this paper, presented initially on the eve of the 33rd World Cooperative Congress, which convened under the theme “deepening our cooperative identity”, I will integrate this recent scholarship, unfolding hitherto in disconnected pockets, into a coherent narrative and connect it with older scholarship that engages questions of co-operative origins and the global power relations that, among other things, shaped the determination of which co-operative traditions the Statement ultimately recognised. The analysis will focus mainly on Africa as emblematic of a wider albeit not universal nor homogenous global South experience. With this analysis as the foundation, I will argue that the global co-operative movement has been impoverished by limiting the histories, traditions, forms, theories and practices it recognises officially and calls on to fashion its identity, values, principles and politics to only those historically recognised by the legal systems of Anglo-American and European states.

In short, the time has come once again for the movement’s leaders to summon the intellectual courage MacPherson referenced at the opening of the Manchester congress. As MacPherson (2012a, p. 111), too, noted years later, “[t]he co-operatives in other lands are not just extensions of the European co-operative experience and value systems”. To correct the Statement’s misstatements, the movement will need to do more than simply add these othered and invisibilised co-operative traditions to the official list and consider the matter resolved. A deeper excavation, accountability, reparative acts and communal healing are needed, aided by a cognitive framework - which I propose should come in the form of a decolonial epistemic perspective (Dastile and Ndlovu-Gatsheni, 2013; Grosfoguel, 2007) - to allow for a clear-eyed examination of the situation and for problems and root causes to be seen and tackled. Such a process has the potential to be transformative and might allow the movement to, at last, claim to be genuinely global.

2. The state, legal hierarchies and invisibilisation

2.1 European co-operativism and complicity in the rules of empire

The scholarship under examination, and indeed this paper, emerge amid a global reckoning with the material and intellectual legacies of the global slave trade, imperialism, colonialism, capitalism and Eurocentrism in many fields, disciplines and areas of human activity (Ndlovu-Gatsheni, 2018; Castro-Gómez, 2002). Without reason, and in order to justify its taking land, resources and people as labour by force and fiat, the West crowned itself “the epistemic locale from which ‘the world is described, conceptualised and ranked’ (Mignolo, 1995, p. 33)” (Ndlovu-Gatsheni, 2020, p. 34). Any ways of knowing and being in, with and for the world that could disrupt this ordering were cast aside as primitive, at odds with modernity, or captured and placed in service of the imperialist, colonialist project - a phenomenon that decolonial scholarship calls epistemicide (Santos, 2014; 2018). Not only was Europe positioned as the centre and apex of civilisation, so, too was what Wynter (2003) calls ‘Man’ - an individualist, elitist, Western-centric conception of being human, which was used as the universal benchmark to adjudicate the humanness, and thus deservingness of freedom, justice, joy, empathy and life, of all other living beings (Wynter, 2003; Steyn and Mpofu, 2021).

Surprisingly, there is little to show that, despite rallying against capitalist exploitation (Fairbairn, 1994), western European co-operative movements of the late 19th and early 20th century mounted any concerted anti-imperialist, anti-colonialist resistance as European co-operative models were deployed as an integral element of European empire-building at the expense of subjugated peoples (Windel, 2021; Develtere, 1994). In fact, with few exceptions (Moulton, 2021), European co-operative movements were complicit and at times beneficiaries of empire (Rhodes, 2021; Windel, 2021;

Friberg, 2017). Whereas Rhodes (2021) suggests that the ICA, which was British-dominated during that period, kept its distance as co-operatives in Europe’s colonies were not on a voluntary basis nor were they autonomous of the colonial state, Windel (2021) argues that British co-operators considered the movement a vital part of Europe’s “civilizing” mission and their patriotism blurred easily with endorsements of empire. Windel (p. 149) furthermore points to the interwar-years policies of Britain’s Co-operative Party, which proclaimed the movement in that country “a major player in new imperialism and [that the movement] could go toe to toe with the large capitalist corporations that owned estates and held trading concessions in colonial territories”. Birchall (1997, pp. 133–34) suggests that there are two ways to look at the deployment of co-operatives in empire building—one positive, the other negative:

A positive reading of this development would emphasise that colonial governments set-up co-operative systems, educated indigenous people and then gradually allowed them to take over. A more negative reading would be that co-ops were introduced as a ‘government instrument to maintain the existing relations, to introduce natives gradually into the externally controlled, export-oriented money economy, and to develop local, modernised indigenous structures’.

However, this is an overly generous reading. As shall become apparent shortly, the more ‘negative’ reading, a reference to the reading provided by Develtere (1994), would be the more accurate account. European empire-building evinced what Asiwaju (1982) described as “the cowardly attitude” by which co-operative institutions and systems endogenous to regions subjected to European rule were considered antiquated and incompatible with modernity. As Asiwaju (1982, 93) put it:

[In French West Africa...] the co-operative potentials in the diverse African cultures were ignored by the French. This neglect stemmed partly out of a

well-known cultural arrogance and assimilationist tendency and partly out of a genuine ignorance and associated lack of adequate appreciation of the co-operative values of the various African cultures concerned.

Windel (2021; 2014), Develtere (1994) and Holmén (1990) note the same disposition on the part of European colonial administrators in Africa and elsewhere subjected to European rule, and Nyanhoga (2019) argues colonialism sought to destroy the African co-operative way of life or capture it in service of capitalism. Develtere (1994, p. 47) in particular attributes this way of thinking to the still-persisting influence of evolutionist-modernist theory which in the mind of colonial administrators meant that:

... the traditional societies with which the colonizer was confronted did not have the social basis for co-operative development on their own. It generally was accepted that co-operation could be easily applied because of the psychological inclinations of the indigenous people, who were experienced with traditional forms of co-operation. These traditional forms of co-operation, however, were considered to belong to the past and it was modern contractual co-operation which would bring them into the future.

British colonial administrator Claude Francis Strickland was one of the most influential exemplars of this way of thinking that held up European co-operative traditions as inherently superior and those of the rest of the world as non-existent, archaic or a threat to colonial rule if not put down. Strickland (1933, p. 17) conjures the trope of the restless native who, caught between “the old static order of native society and the new dynamic life of the interdependent world”, needs to be rescued from looming disorder through “new forms of social integration” to replace the old forms, “which are now inadequate”. Based on his experiences on the Indian subcontinent, he believed that European co-operative models would be stabilising and would ward off subversive tendencies in the African colonies because the models were compatible with the

British colonial strategy of indirect rule, required operating with political neutrality as a principle, and were based on European legal systems, which meant administrators could liquidate co-operatives that rebelled against the colonial order (Windel, 2021; Asiwaju, 1982; Kamenov, 2019; Rich, 1993; Strickland, 1933).

While Strickland was adamant that the word co-operative referred to European co-operative models, the thinking he exemplified created what Münkner (1982, p. 177) calls terminological confusion in that some “authors (mainly sociologists) refer to autochthonous self-help organisations as traditional co-operatives and thereby use the term ‘co-operative’ in a very broad sense while others define ‘co-operatives’ as a special type of western style self-help organisation.” This ‘confusion’ persists to the present day, with most authors, including Münkner, opting to use the word co-operative to refer only those of European tradition and referring to others as ‘indigenous’, ‘informal’, ‘proto-’, ‘semi-’, ‘endogenous’, ‘traditional’, ‘autochthonous’ or ‘pre-’ co-operatives, if seen as co-operatives at all. In many cases, this is done with full awareness that these formulations are “problematic” and after having “failed to find any satisfactory alternative” (Kronsbein, 2022, p. 17) - demonstrating what Santos (2014, p. 33) considers a failure of Western-centric political imagination: the loss of critical nouns.

Post-colonial states, for the most part, adopted similar frameworks, with efforts to recognise these othered and invisibilised co-operative knowledges and reorient European co-operative forms to serve the local population ultimately yielding little transformative change in how co-operatives are understood (Windel, 2021; Nyanhoga, 2019; Wanyama, Develtere and Pollet, 2009). There were some promising experiments, most notably Julius Nyerere’s *ujamaa initiative* (Kinyanjui, 2019; Windel, 2021) and attempts to institutionalise *buen vivir* in Latin America and *swaraj* on the Indian subcontinent as means to co-operative development (Laville et al. 2019; Benalcázar and Ullán, 2021; Kothari, Demaria and Acosta, 2014).

But the acceptance of the Westphalian state and its notions of law as a state monopoly (Merry, 2017; Blackett, 2018) as the foundations of post-colonial society ultimately meant the socio-political governance and legal systems and institutions that made these co-operative models legible and legitimate in the local context were rendered subordinate to the state and its Eurocentric legal systems, ultimately further continuing othering and invisibilisation (Dinerstein, 2017). While this situation, where multiple legal systems operate contemporaneously in the same jurisdiction is termed legal pluralism (Merry, 2017), the word pluralism is a misnomer as it might be read to mean equality amid diversity, whereas, in reality, there is a clear hierarchy, with European legal systems being primary and serving as the lens through which the others are filtered and often distorted to fit (Roberts, 1998; Diala, 2019; Merry, 2017).

But even in western Europe, what many, like Strickland, consider as the original home of co-operatives, the state’s legal system has had similar effects of creating hierarchies, if law is understood in the expansive sense as the codified normative orders of a group or subgroup (Merry, 2020). Mulqueen (2019), for instance, argues that the law, specifically British law, has not been a neutral means of recognition for co-operatives. Instead, it has tended misrecognise, distort and capture the politics, philosophies and practices - and the underlying normative orders - at the same time as it enabled the legibility and legitimacy of co-operatives as autonomous actors in the market. Mulqueen argues that subsequent amendments to co-operative laws have tended not to make up for the fact that the state’s laws may not be capable of conferring recognition beyond what serves state’s goals, which are not always aligned with those of members of co-operatives, or even wider society for that matter. Likewise, Dinerstein (2017) suggests that the state’s foundational recognition framework, which has been colonial-capitalist and neoliberal in much of the world, invisibilises everything that does

not fit within it. Consequently, laws and policies meant to recognise co-operatives, or other social and solidarity economy (SSE) units, have tended to thwart rather than enable egalitarian possibilities.

2.2 The ILO, ICA and the many lives of empire

From the late 1930s, the ILO played a central role in perpetuating these colonial outcomes into the post-colonial era. It relied heavily on the British colonial co-operative strategy as the basis for its co-operative development initiatives, following a particularly state-centric approach that continues to prevail today (Develtere, 1994; Nyanhoga, 2019).

Even as it developed Recommendation 193 and was confronted with the problems caused by the state-centric approach, particularly in Africa, and the reality of othered and invisibilised co-operatives in what it called developing countries (Wanyama, Develtere and Pollet, 2009; Okem and Stanton, 2016; Nyanhoga, 2019), the ILO, seemingly too having lost its critical nouns, amplified the colonial imaginary.

For example, international co-operative experts convened by the ILO in the 1990s to review the impacts of Recommendation 127, the co-operatives recommendation focused only on ‘developing’ countries and was replaced by the globally applicable Recommendation 193, noted a proliferation of “informal co-operative type self-help organisations” that “improved the efficiency of agricultural production, contributed to community development and facilitated cotton industry production” in so-called developing countries and thus “were instrumental in generating employment and income” (ILO 1993, p. 5). But there was uncertainty among the experts as to whether the new international labour standard that became Recommendation 193 should include these entities, or if it should be limited only to entities recognised in the laws of the state. Ultimately, Recommendation 193 entrusted member states with promoting “the important role

of co-operatives in transforming what are often marginal survival activities (sometimes referred to as the “informal economy”) into legally protected work, fully integrated into mainstream economic life” (ILO, 2015, p. 55).

The ILO, supported by member organisations of the International Coalition of the SSE (ICSSE) and similar entities, is set to reprise this role as amplifier of the colonial imaginary in the wider SSE. In the discussion document for the recent 110th session of the International Labour Conference, which adopted a new framework for SSE that is intended to be universal, the ILO recognises multiple co-operative and SSE forms and epistemologies of the global South, notes that they predate the colonial encounter and the Westphalian state, and agrees that they still exist today. But it holds fast to the claim that these are ‘traditional’ or ‘informal’ forms of co-operation and ‘indigenous’ practices, and that ‘formal’ co-operatives were introduced by colonial administrators (ILO, 2022a). The consequences of this are that co-operative forms that do not fit the colonial imaginary are perpetually positioned as problems to be solved and states are placed in charge, despite having historically proven to be both not up for the task and also a primary cause of the problems.

Similarly, the ICSSE, of which the ICA is a founding member, has tasked itself with using the new European Action Plan for Social Economy to lobby governments to develop policies, laws and financial support measures for the SSE. It identified third countries (non-EU states) as areas of focus - with South Africa, Algeria, Morocco, Senegal, Dominican Republic, Brazil and South Korea, being ahead of the curve in having developed draft SSE frameworks (ICSSE, 2021). Furthermore, Spain and France (and recently Senegal and Chile), with the assistance of an SSE task force of UN agencies, the Organisation for Economic Co-operation and Development and observers such as the ICSSE also successfully campaigned for a UN General Assembly resolution on the SSE as a means toward the 2030

Agenda for Sustainable Development (ILO, 2022b). This would insert the colonial framing of co-operatives and the SSE into the policy-making radars of all signatories to those global commitments. The SSE International Forum, one of the ICSSE members has gone further by publishing a guide on writing a law on the SSE, with this sweeping claim (Hiez, 2021, p. 22):

Throughout history, human communities have organised themselves so as to meet and fulfil their needs in the community's general interest. For instance, in the African context, some practices which can nowadays be characterised as being in the spirit of the SSE can be dated back to well before colonisation and the Industrial Revolution. Both the idea and its expression are usually connected with Western Europe, as it is there that it was most likely conceptualised.

No reference is provided. However, the claim echoes the foregoing received wisdom in much of the scholarship on co-operatives and the SSE. In this diffusionist tale, co-operation, sharing and democratic governance of common pool resources, reciprocity, collective action, mutual aid, solidarity and similar communal economic practices are indeed human - but were ushered into modernity through legal recognition in western Europe and have been spreading since then to the rest of the world. As with the ICA's co-operative origins tale as told in the background paper to the *Statement on the Co-operative Identity* and repeated in scholarship, often without recognising that it is myth (Fairbairn, 1994), this claim ignores the central role of European imperialism, colonialism, the state's legal systems, and the UN system in creating a warped picture of reality. Given the law's central role in imperialism, colonialism, capitalism and neoliberalism (Pistor, 2019), legal recognition is an inadequate basis for understanding and framing the origins, identity and aspirations of any movement that purports to be egalitarian in nature.

3. A decolonial turn in co-operative scholarship and movement-building?

What allowed me to see almost immediately, once I began reading the literature, that something was amiss with the claims that western Europe is the birthplace of modern co-operation is that I grew up in a co-operative society on the margins of the apartheid state in South Africa. Colonial and apartheid oppression and exclusion of black people from socio-political and economic realms until recent efforts to end white domination has seen African co-operative forms and knowledge survive and, in some parts, thrive outside or on the fringes of the capitalist economy, using their own legal codes (Hutchison, 2020). It is one of the reasons why, despite 43 percent of working-age adults being unemployed, whether formally or informally (StatsSA, 2022), and there having been virtually no income support from the state for them until recently (Marais, 2022), more widespread social upheaval has not occurred. Many unemployed people have access to support through familial networks beyond the immediate households and also from their wider society (Dawson, 2021).

The World Bank recently recognised this as a vital mechanism for what it terms "social resilience" in South Africa (World Bank Group, 2018), although the communities that shaped my thinking would simply call it recognising that a person is a person through other people. This is the founding proposition of *ubuntu* philosophy, which offers a compelling empirical, metaphysical and normative account of personhood as a dynamic, triadic, trans-generational experience that is inclusive of other living beings in nature and nature itself (Ramose, 2002; 2015; Metz and Gaie, 2010). Thus, if a co-operative is to be un-

derstood as an 'autonomous association of persons', then the philosophy's conception of personhood contains a dynamic multistakeholder model for co-operative ethics, governance and economics (Molefe, 2021) used in practice in much of Africa and the African diaspora (Hossein, 2021; Kinyanjui, 2019; Dukor, 2015; Hossein and Pearson, 2023). This model furthermore does not prescribe a set of predefined values and principles that are to be applied dogmatically. Rather, it offers only the injunction that the multiple stakeholders must seek harmony in their relations if they, as living beings, are to be good and ethical - opening the way for co-operative norms and practices highly attuned to the context (Molefe, 2021). Yet the model and the histories, thinking and practices that inform it are not recognised by the *Statement on the Co-operative Identity* or Recommendation 193. Even South African policy-makers, blinkered by Recommendation 193, seemingly did not, and perhaps could not, take *ubuntu* seriously as a framework for co-operatives as they developed the country's post-apartheid co-operatives policy and related laws and the pending SSE policy framework. This poses difficult and uncomfortable questions for the global co-operative movement on the full and long-term effects of state recognition on co-operative identity - as the ILO, ICA, IC-SSE and others in what seems a Western-dominated epistemic community continue to promote state- and Western-centric approaches to co-operatives and the SSE.

Ubuntu is not the only othered, invisibilised co-operative and SSE knowledge, which Hossein and Kinyanjui (2022, p. 222) argue is a deliberate political project that, in support of neoliberalism and free-market orthodoxy that benefits select individuals and groups, side-lines the thought and practices of "people around the world who are rethinking economics based on their own terms". In terms of co-operative and SSE knowledge beyond the Anglo-American and European knowledge circuit, Jung and Rössner (2014), for example,

date the historical roots of contemporary co-operatives in the Republic of Korea to practices such as *dure* and philosophical propositions such as the *gye* principle. Similarly, the Quechua ideal of *sumak kawsay*, 'full life', misappropriated often as '*buen vivir*', or 'good life' (Benalcázar and Ullán de La Rosa, 2021) emerge in this body of what could be called decolonial co-operative scholarship as the historical roots of long-standing, extant practices in Latin America and the Latin American diaspora (Guttmann, 2021; Benalcázar and Ullán, 2021; Calvo, Morales and Zikidis, 2019; Martínez et al., 2019)

Another example comes from Sengupta (2015), who notes that the First Nations, Inuit and Métis people of Canada have co-operative philosophies and traditions that pre-date the arrival of European settlers and that little has been done to acknowledge and reconcile their values to those popularised by the ICA. As Hossein (2020) and Lee, Smallshaw and Peredo (2016) also point out, diasporic communities of colour have enriched co-operative movements of North America but have been written out of accounts and knowledge systems of that region's movements.

But growing up around othered and invisibilised co-operative knowledge and knowledge systems is not the only way to recognise them as legitimate and relevant. All it requires is adopting a perspective that liberates from the colonial mindset exemplified by the likes of Strickland, who, in a peer-reviewed journal, wrote that "[t]he African has difficulty in forming abstract ideas" (Strickland 1933, p. 23). Then, with such a perspective - a decolonial epistemic perspective - it might be possible to see that these othered and invisibilised global South co-operative epistemologies collectively constitute the beginnings of a multi-regional account on the origins and identity of co-operatives. It might also be possible to begin the necessary and overdue journey away from

the diffusionist story and towards accountability, reparations and healing for the harm it has caused. Then, and only then, might a vibrant, dynamic, truly global co-operative identity and movement emerge.

Such a multi-regional account would recognise that contemporary co-operative practices are human practices that emerged from the specific economic, political and cultural context of their place and time without need for state or other forms of outside recognition to be valid or relevant. It would also reject essentialism by recognising that knowledge production and circulation are complex, multidirectional processes driven by human relations mediated by systemic and structural power that changes over time as a result of these relations. These knowledge processes are seldom bound by purity of intellectual tradition. Finally, it would seek to understand and learn these knowledges on their own terms, if people who embody them wish to be a part of remaking the co-operative identity.

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On Confucian Understanding of Co-operative Thought¹

Hyeong-Soo Jeon²

On Confucian Understanding of Co-operative Thought

Abstract

Modern co-operatives were introduced in Korea over 100 years ago and have since firmly established. Today, they primarily serve as tools to achieve the development policy objectives in the agricultural sector, contributing significantly to the implementation of national development plans.

This raises several questions: Do cooperative values have a global dimension? Can we distinguish between values inherent in Western and Asian cultures? Can values be transferred from one country to another? Is the incorporation of Asian values a success factor for the fast-growing co-operative movement in Asia?

This paper attempts to answer these questions through the following three steps: Firstly, we introduce the Confucian value system and its influence on co-operatives. In the main part of the paper, we then explain the lessons learned from Confucian practice, their co-operative aspects, the Confucian economic mindset, and the suitability of Confucian social ethics for fostering group-oriented innovation. Second, we compare the Confucian value system with the co-operative value system. Finally, we discuss whether and what co-operatives worldwide, particularly in Western countries, could learn from the Confucian value system.

Keywords: Confucian, co-operative, group harmony

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La compréhension confucéenne de la pensée coopérative

Résumé

Les coopératives modernes ont été introduites en Corée il y a plus de 100 ans et se sont depuis fermement établies. Aujourd'hui, elles servent principalement d'outils pour atteindre les objectifs de la politique de développement dans le secteur agricole, contribuant de manière significative à la mise en œuvre des plans de développement nationaux.

Cela soulève plusieurs questions : Les valeurs coopératives ont-elles une dimension mondiale ? Peut-on distinguer les valeurs inhérentes aux cultures occidentales et asiatiques ? Les valeurs peuvent-elles être transférées d'un pays à l'autre ? L'intégration des valeurs asiatiques est-elle un facteur de réussite pour le mouvement coopératif en plein essor en Asie ?

Ce document tente de répondre à ces questions à travers les trois étapes suivantes: Premièrement, nous présentons le système de valeurs confucéen et son influence sur les coopératives. Dans la partie principale du document, nous expliquons ensuite les leçons tirées de la pratique confucéenne, leurs aspects coopératifs, l'état d'esprit économique confucéen et la pertinence de l'éthique sociale confucéenne pour encourager l'innovation orientée vers le groupe. Ensuite, nous comparons le système de valeurs confucéen avec le système de valeurs coopératif. Enfin, nous nous demandons si et ce que les coopératives du monde entier, en particulier dans les pays occidentaux, pourraient apprendre du système de valeurs confucéen.

Mots clés: Confucius, coopérative, harmonie de groupe

Sobre la Concepción Confuciana del Pensamiento Cooperativo

Resumen

Las cooperativas modernas se introdujeron en Corea hace más de 100 años y desde entonces se han establecido firmemente. En la actualidad, sirven principalmente como herramientas para alcanzar los objetivos de la política de desarrollo en el sector agrario, contribuyendo significativamente a la aplicación de los planes nacionales de desarrollo.

Esto plantea varias preguntas: ¿Tienen los valores cooperativos una dimensión global? ¿Podemos distinguir entre los valores inherentes a las culturas occidentales y asiáticas? ¿Pueden transferirse los valores de un país a otro? ¿Es la incorporación de los valores asiáticos un factor de éxito para el movimiento cooperativo de rápido crecimiento en Asia?

Este trabajo intenta responder a estas preguntas a través de los siguientes tres pasos: En primer lugar, presentamos el sistema de valores confuciano y su influencia en las cooperativas. En la parte principal del trabajo, explicamos las lecciones aprendidas de la práctica confuciana, sus aspectos cooperativos, la mentalidad económica confuciana y la idoneidad de la ética social confuciana para fomentar la innovación orientada al grupo. En segundo lugar, comparamos el sistema de valores confuciano con el sistema de valores cooperativo. Finalmente, discutimos si y qué podrían aprender las cooperativas de todo el mundo, particularmente en los países occidentales, del sistema de valores confuciano.

Palabras clave: Confuciano, cooperativa, armonía de grupo

1. Introduction

In the practical implementation of their principles, co-operatives depend directly on the existing value system of society where they operate and serve to meet societal needs. However, a specific society cannot dispose of co-operative at discretion. As self-help organizations of their members, co-operatives can exist independently from specific societal norms, because co-operation among persons, constituting the basis of every society, reflects a fundamental human nature. This shows that co-operative thoughts also exist in diverse contexts including societies heavily influenced by Confucian social ethics.

In this context, questions arise: Are there global cooperative values? Will Western and Asian values be different? Can values be transferred from one country to another? Is Asian value a success factor for the fast-growing cooperative movement in Asia?

This paper tries to answer these questions. The main part is a study of the culture-specific forms of co-operation, individualism and co-operative individualism. In conclusion, it is discussed what co-operatives worldwide and particularly in Western countries can learn from these considerations.

2. Western, Asian or global co-operative values?

Why should Western co-operators take interest in the thoughts of Confucius? By their origin, co-operative societies are an organization with socio-ethical goals of utopian socialist, Christian or Marxist contents. Co-operative management differs from non-ideological (pragmatic) co-operation management by the fact that co-operative managers are (or should be)

bound by co-operative values.

These basic values are contained in the Statement on the Co-operative Identity of the International Cooperative Alliance (ICA), on which the representatives of the world co-operative movement agreed in Manchester in 1995 at the occasion of the centennial congress of the ICA. Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operatives stand for honesty, openness, social responsibility and care for the others.

The amendment of the German Co-operative Societies Act of 2006 reflects part of this value orientation, by expanding the objects of the co-operative society as a special form of business association from the promotion of the economic interests of their members to include the promotion of their social and cultural aspirations.

The pursuit of social and cultural objectives had been allowed for German co-operatives before this amendment, however, only as a supplementary goal. Now it can become the principal objective following the definition of co-operatives contained in the ICA's Statement on the Co-operative Identity of 1995 and the new law for European Co-operative Societies (SCE) of 2003.

According to the ICA definition of 1995, a co-operative society is "an autonomous association of persons united to meet their economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise".

Co-operative models originating from Europe (Raiffeisen banks, people's banks, consumer co-operatives and worker co-operatives) have spread throughout the world. However, while for many decades Europe was the centre of gravity of the co-operative movement, during the past several decades the focus has shifted to Asia. Today, Asia has become the region with

the fastest-growing co-operative movements. For example, the ICA Asia-Pacific was opened on 14th Nov. 1960 with seven members from six countries. Today, it serves 110 member organisations from 32 countries (ICA Asia-Pacific, 2020, p. 1).

This leads to the question of whether Asian values determine the goals and the functioning of co-operatives in the region and what is the role of Confucian thought in this regard. According to their basic concept, co-operatives are people-centered and locally rooted organizations. They combine local culture and modern corporate culture. As a result of the principle of self-administration, leaders of co-operatives are elected from among the members.

Does Seidman's "Law of the Non-transferability of Laws" (Seidman, 1972, p. 697), i.e. the non-transferability of norms from one country to another, known from legal theory also apply to co-operative concepts and to the values on which they are based? When spreading the co-operative models of Raiffeisen, Schulze-Delitzsch, the Rochdale Pioneers or Buchez and Fourier, does this also mean spreading Western (Christian, socialist) ideas and values? To what extent are imported international co-operative models adjusted to local culture?

In 1995, the world co-operative movement represented by the ICA with a nominal membership of 800 million co-operators from all continents, agreed on the already mentioned Statement on the Co-operative Identity. This statement was the result of several years of intensive discussions, consultations and deliberations. At the final session in 1995, the Japanese delegation moved a motion to include the promotion of cultural aspirations of the members in the definition of co-operative societies.

After these preliminary remarks, the question may be asked of whether Confucian-

ism, which certainly influences the ways of thought of Asians, also is of importance for co-operative working in Asia and whether they even are a success factor.

The attempt to answer this question is undertaken in three steps. We present the Confucian value system, by summarising those elements which are of relevance for co-operatives. This is the main part of the paper. In the second step, the Confucian value system is compared with the co-operative value system. Finally, it is discussed if, and eventually what, co-operators worldwide in particular in Western countries could learn from the Confucian value system.

3. The Confucian value system and its influence on co-operatives

The traditional Korean form of co-operation Kye(계). , which was a human, ethical pattern of social behaviour, can serve as an example (Weon, 1996, p. 29). "Kye" which was strongly influenced by Confucian thinking constituted a relatively simple perception of co-operative ideas and was propagated as a kind of mutual aid association in Korean society and economy (Jeon, Kang and Muenkner, 2007, pp. 191) until modern co-operatives were introduced in the country.

In our country of reference, Korea, Confucian social ethics are a very influential ethical and normative system (Kim, K.-K., 1996, p. 204), which aims at enhancing the economic, social and political conditions of members of the community.³

In order to understand the effects of Confucian ethics on co-operation following

³ The values and culture of Confucianism were mainly disseminated in Korean society during the last Ancient Regime (Choson dynasty, 1392-1910) under the protection of the royal court and were consolidated as the fundamental ideology on which the state and society were based.

co-operative principles better, it will be necessary to elaborate the essential basic elements of Confucianism. For instance, according to Confucianism, it is assumed that for decision-making processes, co-operation in groups is superior to individual action. This advantage is due to a harmonic-positive relationship between the individuals forming the group. This is based on the hypothesis that Confucianism in which emphasis is placed on group harmony has positive effects on innovations⁴ which require harmony in co-operative decision-making. Here the question arises why the individual should act co-operatively for the sake of reaching the objectives of the group and how motivation to work for innovations within a group could be brought about.

3.1 Confucianism as a code of ethics

From a societal point of view, Confucianism can be explained above all as a code of ethics for the purpose of controlling and grading conflict-prone relationships between persons in public and private life, by systematic enforcement of moral rules of ethical-ritual nature in view of achieving harmony⁵. In this way, a system of society has to be established in which the status of the individual and the property rights connected with this status are recognized.

The basis of this is the Confucian term “*li* (禮)”. This is an expression describing a rite meaning something like the respect of property and in addition an or-

der of things. Originally, *li* had a purely religious meaning. When religious assets were secularized, *li* turned into an ethical-ritual framework for establishing an ideal social order of things. Within the framework of social policy, rites and ceremonies expressed the position of the individual in the social hierarchy. Certain rites, a clearly defined ritual behaviour and a precisely designed function in performing the rites, with a defined position and function within the hierarchy, with a certain rank, each step on the societal ladder corresponded to a certain “*li*”. Infringement of these rules meant usurpation of rights and a certain measure of opposition which led to chaos (Moritz, 1990, p. 24). In these considerations, the individual is not in the centre.

The Confucian perspective is from the outset focused on living in groups. Accordingly, property rights allotted to the individual are guaranteed by the group and exercised jointly. The same applies to meeting individual social obligations. The Confucian rules of morality, i.e. the norms of behaviour in conformity “with limits set by “*li*” for the individual and for his/her performance, determine and limit behaviour at the same time. All characteristic features have to be determined by *li* and are subject to limitations imposed by *li*” (Ibid, p. 24, note 8). These behavioural patterns aim at maintaining harmony in the performance of the individual and of groups. What counts is always the performance of the group, but not individual performance.

The harmony of the Confucian kind is not an end in itself, but rather serves as an

4 This means that innovations in co-operative societies offer appropriate conditions for action aimed at reaching planned objectives, i.e. modes of action have to be activated, that hitherto were not used, applied modes of action have to be reassessed and new modes of action have to be invented.

5 The basic value of Confucianism, originally introduced by Confucius (551-479 B.C.) and later developed further by his main disciples like Meng-Zi (372-281 B.C.) and Xun-Zi (313-238 B.C.), primarily was meant to resolve conflicts and to stabilize the situation in times of political turmoil (Moritz, 1990, p. 42). Against this background, the focus of Confucian moral and ethics teaching was on (re)establishing a stable social order of things.

instrument for the formation of groups. Harmony proves to be effective even if it is used in ethical-moral terms as a regulator for balancing the powers or interests of the individuals and thereby develops integrative powers in order to change the environment and create a new and better situation for co-operatives. Another positive effect results from the fact that group-related property rights can be exercised at a lower cost than individual implementation would cause. Making use of the harmonious social relationship represents a propelling force for co-operative, service-oriented action.

Confucian ethics require persons to act in conformity with moral norms. Building up relationships between persons on the basis of reason and trust corresponds to this requirement. In order to achieve the objectives, an institution is needed, which sees to it that the legal and political framework conditions for the harmonious and synergetic establishment and operation of society in the domains of extended family, community and state exist so that the implementation of social justice and security become possible. What is meant is behaviour in accordance with “*li*” and maintenance of a social order of things in conformity with these norms. In such societal order, the rites and ceremonies themselves are institutionalized. In the moral and societal context, they are perceived as institutions influencing the structure of human thinking and action of the individual and directing it harmoniously in a special ritualized form to serve the benefit of society as a whole.⁶

This shows that to disturb societal and moral conditions by lack of participation in joint societal activities is perceived as arrogance and subversion. This undermines interpersonal trust and threatens harmony in society. It leads to social evil and chaos. Ethical-moral punishment follows in a rigid manner⁷, if the individual fails to behave in a predetermined manner, i.e. according to his recognized social status, which is crucial for maintaining the harmony of the entire system.

3.2 Norms of behaviour influencing co-operation and we-feeling

From this ethics, results a particular feature which is, above all, important for the stability of co-operation and the establishment of a strong institution. It is the respect of moral norms as one of the main virtues constituting Confucianism. In ethical and formal regard, respect (meeting obligations which, e.g., children have vis-à-vis their parents, such as having respect for, submitting themselves to and obeying their parents) is the source of all morality (Ibid, p. 35, note 7). It is a co-operation supporting form of behaviour, in which we-feeling in the social-psychological meaning of the term is deeply rooted. This brings about a strong group consciousness of great importance for the individual. It is particularly important for family groups, which constitute an essential basis of existence for their members. According to the principle of allegiance, its members must be prepared to accept

6 The concept of institution building was developed on the basis of “Taoism” and served to identify and maintain the right way of individuals, society and the state (Ibid, p. 23). It shows that already Confucius saw the reason for social disorder and in particular for the decay of “*dao* (道)” (*wu dao* (無道), without *dao*) in the disregard of customary relationships of societal hierarchies: Revolt against traditional authorities, pretence and turning the bottom to the top, disregard for the paternalistic order, revolting of the son against the father, infringement of hitherto valid rules of human behaviour and good morals (Ibid, p. 48). Based on this, the social-cultural and political norms of behaviour of Confucian society developed, focused on harmony in line with behaviour in conformity with moral standards.

7 In Confucianism, sanctions for the infringement of moral rules are not linked to economic punishment but are related to the person (Jeon, Kang and Muenkner, 2007, p. 194).

suggestions made by the leaders as binding orders to be followed. This increases group cohesion and in practice maintains the stability of the group.

When practiced, respect also contains an important element of social order, "because the family is the model of society as a whole: like in a family governed simultaneously by submission and mutual cohesion, a society shall also be governed. In this way respect becomes a general principle for the order of things in society." This way of reasoning shows that "the state is seen as a prolongation or extension of the family" (Ibid). This logic accepts the competency of the state as an institution. However, it must be taken into the consideration that the principle of respect within the family is not a feudal principle but rather built on affection (Weber, 1986, p. 446). If the order of things is based on allegiance, the right of the state to intervene is legitimized and its level of institutional-bureaucratic competency is increased. This has positive effects on development policy and on implementing highly complex innovation strategies.

3.3 Confucian way of economic thinking

Against this reasoning, it is often argued that the obligation to show respect focusing only on the survival of own family has the tendency of closing the group against the outside world in such a way

that one group is rejected by the other. Through this seclusion, rivalling behaviour develops in society, which enhances disharmony and, in the end, has negative effects on the mobilization of social forces (Soh, 1974, p. 460). However, in this argument, it is overlooked that the basic socio-cultural concept of Confucianism aims, from the outset, at the harmonious integration of all societal relations. From this perspective, respect is synonymous with all norms of behaviour, designed to classify all horizontal and vertical relationships within the family, the society and the state and to explain them in such a way that the individual can assess his/her own scope of action in conformity with this standard and recognize margins of action being in conformity with the code of ethics. In Confucian culture, harmonious relations within a group which, however, is in conflict with other groups, cannot be accepted⁸. Therefore, the ideal personality in the Confucianism is not a person pursuing a narrow self-interest (or own family's interest) as supposed by the modern mainstream economics but a person with a broader rationality in considering the interest of others and society at large.

In the same vein, from the Confucian perspective, a purely profit-oriented perception of economic performance cannot dominate the logics of individual's behaviour. For instance, the individual, whose acts are perceived as being immoral and disloyal, will be expelled without hesita-

⁸ In this regard, an important and basic difference can be seen between Confucian and Protestant rationalism. Confucian rationalism means "rational adjustment to the world". Puritan rationalism means "rational dominance of the world" (Weber, 1986, p. 534, note 13). In this regard, Confucian perception of the world can be seen as an attempt to interpret human behaviour "into the harmonious order already pre-existing in cosmos and nature. Disturbing the harmonious order by human beings through individual, non-appropriate action will lead to misfortune" (Soh, 487). In contrast, Protestantism does not deal with a harmony-oriented way of thinking when discussing adjustment (Weber, 1986, p. 525, note 13), i.e. the ethical-rational ways of coping with and dominating the existing world (Ibid, p. 527). Dominating the world is a natural feature of the conflict in human behaviour. In Protestantism, emphasis is always placed only on harmonious relations within a group, which, however, may come in conflict with other groups.

tion from his/her extended family and his/her community, thereby depriving him/her of his/her main source of support. If he/she wants to remain in his/her predetermined group, he/she has to behave in conformity with the code of ethics. In this reasoning, the calculation of the monetary balance of inducements and contributions is only of secondary importance. When calculating the cost and effects of group cohesion, the immaterial motivation (e.g. social recognition) is an essential precondition, which cannot be explained by a purely profit-oriented perception of economic performance.

A further argument for the Confucian way of economic thinking can be derived from Max Weber's ideas on the economic effects of the basic virtue of the "gentleman" in the Confucian sense. This human ideal appraised in Confucianism is defined as "the (noble, distinguished) highly cultivated personality, who is harmonious, well balanced in himself and within society" (Weber, 1986, p. 444, note 13). For such a person, "there is no need to learn how to perform in an economic manner" because this is the "small road" towards human perfection (Ibid, p. 447, note 13). Accordingly, profit-orientation is not highly valued. However, this argument cannot be construed, as done by Weber, to mean that Confucian ethics do not constitute a good basis for economic activity.

Yet, it is important that for Confucius, among the moral qualities, the right behaviour towards other persons, towards fellow-humans, is at the forefront (Moritz, 1983, p. 32, note 7). This means a behaviour "aimed at maintaining harmony as a whole and balanced to achieve this goal"; this is at the same time mutual respect of the others' needs (Ibid, p. 33, note 7); a norm which the individual as part of society should respect. According to this norm, the individual has to renounce striving for the individual benefit at the expense of others, because "the aim to make profit ... is seen as a source of social unrest" (Weber, 1986,

p. 448, note 13). Therefore, it can be requested to adjust considerations of profit-making to behaviour allowing harmonious group relations. From this, follows the way of doing business particular to Confucian thinking, namely economic activities based less or barely on profit-making or profit-orientation. However, it has to be noted that integration of the individual into society as a whole in the Confucian way, in ethical or moral respect, can be seen as an obligation and can motivate the individual to make great efforts which may result in a good basis for economic success. In this case, the use of social relationships can be seen as meeting an obligation but also as an element for facilitating economic performance.

Arguing further, Max Weber assumes that performance in groups is determined by specialized and qualified management. However, in the mind of the gentleman, a felt need for specialist training cannot be expected. "The gentleman ... never was a tool, i.e. in his perfect self-adjustment to the world he was and end in himself, not a means for whatever practical purposes. (This way of thinking) rejects specialized studies, modern technical bureaucracy and in particular economic training for the acquisition of gain" (Ibid, p. 532, note 13). However, in this reasoning, the important component of the Confucian concept of education is missing, namely the component dealing directly with cultural education and the improvement of cognitive capabilities. In Confucianism, the focus is on self-education, offering the individual incentives to consolidate and improve his/her social position. By self-education, the entire social relationships are determined to such an extent that the social status of the individual can be measured by the degree of self-education. The social margin of discretion of the individual unfolds in his/her process of education. By his/her social orientation the individual is constantly interested in improving his/her social status, e.g. high-quality university degrees.⁹

The individual keen to learn is open to innovations. This means that by education the capability of the individual to learn is developed further so that he/she is able to deal with the respective situation in life in a critical manner and thereby is able to identify and apply new ways of problem resolution. In this regard, the assumption of Max Weber that "fear of innovation" is inherent in the Confucian value system is wrong.

There is another negative argument mainly from development theory and policy, against the capacity of innovation in Confucian culture. According to this argument, Confucian ethics, turning towards the human being and political life, contain a general conservative trend, which is always concerned with preserving the hierarchical system of leadership in society. In order to reach special objectives, the leading class or a certain group of the population can claim absolute obedience from persons ranking below this group. This social relationship combined with a way of thinking, aimed at preserving the values of the past, could be seen as impediments to the way of development of individual personality and the desire to work hard so that innovations could not be expected. Even the social energy for generating innovations could be paralyzed.

However, it has to be taken into consideration that Confucian culture is based on the underlying virtues of mutual love, equity, wisdom, morality and honesty, with human society as the most valued good. This Confucian system of society has very positive effects on group-oriented in-

novations. In this process, the harmony within groups is in focus, which from its contents and form does not look at human beings as isolated individuals but rather at their natural relationship in the family, society and state. In its effects, Confucian harmony does not only apply to homogeneous groups but even more to heterogeneous groups. This results in a multi-dimensional concept of harmony, offering a basis for co-operative activities and the improvement of their services. In Confucian culture, the development of individual personalities does not result only from self-centred activities but rather takes place in activities for joint development. In this way, Confucian harmony in groups has the effect of reducing transaction costs.

3.4 Confucian social ethics and group-oriented innovations

Summing up, it can be stated that Confucian social ethics offer suitable framework conditions for group-oriented innovations. The conservative perception of values does not obstruct general societal and economic development but rather serves to introduce and disseminate innovative behaviour. In this process, the continued operation of the widespread traditional decision-making and control mechanisms merits special attention. Within the framework of development practices, some of the conventional components and socio-cultural norms and values are replaced by new ones, modify-

ing the value base of society. However, this modification takes effect in a syncretistic process, in which traditional norms of behaviour still work as a basic criterion for the acceptance of innovations. By gradual and harmonious processes of cultural change, socio-cultural innovations are mobilized and thereby dissemination of innovations is initiated. This process is particularly suitable for catching up with the development of more advanced countries (Nuscheler, 1996, p. 173), also where the promotion of co-operative development is concerned.

4. Co-operation, individualism and co-operative individualism

We see co-operation with the aim of solving common problems as a basic pattern of human behaviour. We point to the fact that there are culture-specific variations of this general pattern. However, the local social norms cannot modify and adjust this general pattern arbitrarily, without threatening its viability. Such considerations are also relevant and topical for Western co-operatives with their trends towards economisation, commercialisation and adjustment to the company model.

In this study, we give an analysis of the ethics and norms of Confucianism, with its stress on group harmony, starting from the assumption that decisions made jointly in groups are superior to individual decisions. This is addressing one of the key problems of modern European co-operative integrated systems, the trend towards individualism and the pursuit of self-interest, as expressed in self-help, if it runs contrary to co-operation for the common benefit, mutuality and narrow or broad solidarity, taking the form of egoistic structures overemphasising own benefit.

Integration of the individual into groups for individual and common benefit is a form of behaviour which plays an important role with regard to the behaviour of individual co-operatives within an integrated system and group discipline.

Despite the differences shown in the comparative table, there is a common basis: self-help by co-operation is a course of action rooted in human nature and a basic human need. The same is true for the desire to pursue the ideal of social justice. Confucian (Asian) values like wisdom, righteousness, morality and honesty are more or less reflected in the human values of all important religions as well as in the basic values of the international co-operative movement.

⁹ Learning activities in the Confucian way have a particularly positive influence on motivation to work and to perform. In general, a good education, effort and training as well as respect for the trainer/master are elements highly valued in Confucian society. According to Confucius, "people resemble each other by nature. By education and training they differ from one another. ... Education must be accessible for everyone, irrespective of his/her social background." (Moritz, 1983, p. 29, note 7). Weber writes with regard to economic perceptions: "The typical Confucian used his/her savings or the savings of his/her family in order to study for examinations. ... The typical puritan earned much, consumed little and invested his earnings following his ascetic thriftiness, to raise more capital in rational capitalistic undertakings" (Weber, 1986, p. 534, note 13).

Table 1. Comparison of elements of the value systems of Confucianism and of the co-operative movement

Element	Confucianism	Co-operative movement
Self-interest	We-feeling before egoism, concern for the fellow-citizen, group interest before self-interest, with limits for the behaviour of the individual contained in the ethical code.	Self-interest as the most important propelling force for economic performance, self-help in order to promote own interests by organised co-operation for own and mutual benefit.
Group cohesion	Integration of the individual in the national relationship of family, community and state, based on trust and reason and within the framework of the ethical code in force.	Voluntary entry in and withdrawal from the co-operative group of persons with common interests. Integration in the group as long and as intensively as it is serving own interest, co-operative individualism.
Value of harmony	Harmony in group relations as a regulator for the development of integrative force, high value of harmonious integration of all societal relations. Respect of ethical norms and avoidance of breaking the rules, harmony among persons even in heterogeneous groups, regulation of conflicts by ethical rules and rituals.	Regulation of group relations by self-determined, binding norms (by-laws), pursuit of self-interest within the framework of the by-laws, respecting majority decisions, obligation to loyal behaviour, settlement of disputes by arbitration.
Importance of education	Raising the cultural level of persons through self-education and devotion to learning, investment in own education as an important goal and as a source of social recognition within the group.	Promotion of life-long learning as a co-operative principle, further education as a method of member promotion.
Profit orientation	Striving for social recognition within the group for services rendered for the group, mutual care or caring for one another, renouncing to individual profit orientation.	Personal interest in profit-making as an important motivating force for economic actions, search for self-promotion by service relations with the co-operative enterprise, balancing self-interest and group interest.
Hierarchy	Social integration of the individual in a hierarchy, where each has his/her place, respecting the authority of leaders, obedience based on respect.	Group of independent individuals, voluntary submission to group discipline, democratic decision-making, equal voting rights.
Sanctions	Sanction for infringement of the rules: expulsion from the group	Sanction for breach of by-laws and of the obligation to loyal behaviour vis-à-vis the group: expulsion from the group.

In times of progressive decay of conventional values, the main Confucian idea that there is an accepted order of things in which every individual has his/her place and knows the limits of his/her powers, being aware that to leave one's place or to go beyond the limits is disturbing the harmony and leads to chaos, might give Westerners ample food for thought. The same applies to the concepts that not the individual but rather the group needs to be in the centre and that striving for harmony is not an end in itself but serves as a regulator of power. The combination of rationality and trust, and the existence of institutions within which co-operation of human beings can develop harmoniously are also attractive ideas from Confucianism for efficient performance and co-operative individualism.

Of course, for Westerners, principal Confucian values like trust, eagerness to learn, and submission to group discipline sound like a list of Prussian virtues. However, it should be reminded that the integration of the individual suggested by Confucianism should not be the result of hierarchical coercion, but rather due to the insight in the benefit of moral behaviour and of the conviction that only behaviour in conformity with the norms leads to harmony.

Another important aspect of Confucian thinking is the emphasis on the effort to develop self-education, gain acceptance and recognition in society through further education and training, and by becoming a more useful member of society. In this regard, the slowly spreading acceptance of the need for life-long learning in times of rapid change comes to one's mind.

The question is how the virtues of mutual appreciation, righteousness, morality and honesty, and serving the perpetuation of harmony fit into the Confucian concept of education with the eagerness to learn more, and openness for innovations despite a basically conservative attitude.

We believe that sociocultural innovations do not necessarily originate from individuals, but may also come from groups, e. g. from co-operatives. With protection in a group, innovation can be introduced more easily against conservative tendencies. If such innovations are accepted, this would be an expression of harmonious cultural change, by which existing rules are progressively and pragmatically adjusted to new requirements and challenges.

5. Conclusions

What can be learned from these considerations? Many Western co-operative societies are developing into large enterprises, distant from their members. Active members turn into simple customers. In the case of large co-operatives, member relations management and the operation of member-information and two-way communication systems are usually discarded, if only for reasons of cost. What remains is customer-management. There are doubts whether, in times of growing individualism and focus on self-interest, members would be interested in playing an active role in the life of their co-operative. The leadership of large co-operative enterprises shows little interest in questions of value-oriented management. In contrast, much effort goes into debates on the economic advantages of good governance and codes of conduct for managers.

Going back to the basic values of co-operative and to general norms for human co-operation may be easier, when looking at the other side of the globe and at a foreign culture, which – when looking more closely – is not so foreign after all and which may become an eye-opener for values that are about to be lost in times of individualism, predominance of mainstream economic thinking and belief in shareholder value.

Even among Korean co-operatives, pure harmony according to Confucian ideals does not prevail. There are, for instance, two national federations of savings and loan co-operatives, competing with each other. They serve almost the same target groups, trying to recruit them as members and do not co-operate much, if at all.

However, as we point out, if all actors accept the basic value of constructive co-operation as a matter of principle and for all of them, it will be clear in which direction good policy should lead, even though there would be always a gap between theory and practice.

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Lessons Learned from the African American Cooperative Movement

Jessica Gordon-Nembhard¹ and Regine T. Adrien²

Lessons Learned from the African American Cooperative Movement

Abstract

This article delves into the rich history of Black solidarity and cooperative economics within the United States. It explores the ways in which cooperation has allowed marginalized Black Americans to survive, subsist, and resist racism and economic exploitation. Though challenges have kept the cooperative movement from being fully realized, thoughtful examination of those challenges allow us to understand and learn from our collective past. Finally, we look toward more contemporary examples of cooperative ventures and their strategies for success, drawing roadmaps on how to face opposition and foster progress made thus far in order to build a future based in solidarity, equity, and inclusion.

Keywords: diversity, solidarity, race, co-op education, black women

Leçons tirées du mouvement coopératif afro-américain

Résumé

Cet article se penche sur la riche histoire de la solidarité noire et de l'économie coopérative aux États-Unis. Il explore les façons dont la coopération a permis aux Noirs américains marginalisés de survivre, de subsister et de résister au racisme et à l'exploitation économique. Bien que des défis aient empêché le mouvement coopératif de se réaliser pleinement, un examen attentif de ces défis nous permet de comprendre et d'apprendre de notre passé collectif. Enfin, nous nous tournons vers des exemples plus contemporains d'entreprises coopératives et leurs stratégies de réussite, en traçant des feuilles de route sur la façon de faire face à l'opposition et de favoriser les progrès réalisés jusqu'à présent afin de construire un avenir basé sur la solidarité, l'équité et l'inclusion.

Mots clés: diversité, solidarité, race, éducation coopérative, femmes noires

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Lecciones Aprendidas del Movimiento Cooperativo Afroamericano

Resumen

Este artículo profundiza en la rica historia de la solidaridad negra y la economía cooperativa en Estados Unidos. Explora las formas en que la cooperación ha permitido a los negros estadounidenses marginados sobrevivir, subsistir y resistir al racismo y la explotación económica. Aunque los desafíos han impedido que el movimiento cooperativo se realice plenamente, el examen reflexivo de esos desafíos nos permite comprender y aprender de nuestro pasado colectivo. Por último, miramos hacia ejemplos más contemporáneos de empresas cooperativas y sus estrategias de éxito, trazando hojas de ruta sobre cómo hacer frente a la oposición y fomentar los avances logrados hasta ahora para construir un futuro basado en la solidaridad, la equidad y la inclusión.

Palabras clave: diversidad, solidaridad, raza, educación cooperativa, mujeres negras

1. Introduction

Modern industry is teeming with catastrophe – from aggressive mergers and acquisitions of large technology companies to mass-scale contamination of nutritional supplements for infants, to the imprisonment of historically oppressed and marginalized community members whose only “crime” has just become a celebrated decriminalized new market venture. Despite this easily observable trend, individuals, families, communities and nations are still subjected to the tumultuous consequences of the imperfect corporations and markets in which they operate.

For centuries, these crises have acutely affected African American communities through racist institutions and long-standing practices which have left them without agency, employment, or options to meet their needs for survival. In the

face of constant crisis, African Americans opted to help one another through solidarity and cooperation.

Examining African American history, we find that even when Black people were discriminated against and oppressed at work, or could not find employment, they engaged in mutual aid to support themselves and their families, and uplift their communities (Gordon Nembhard, 2014)³. The African American cooperative movement created opportunities for Black communities to pool their resources to provide and pay for services they needed but did not have access to otherwise, whether due to their masters’ control, or exploitative economic systems.

Throughout this article, we explore examples of successful cooperatives, identify the challenges which they commonly

³ Much of the information for this paper comes from Jessica Gordon Nembhard, *Collective Courage* (2014) and subsequent articles and presentations about that research on Black American cooperatives. Thanks to Regine Adrien for reframing and reorganizing this information.

faced, and highlight contemporary examples of cooperative organizations. In the hopes of inspiring readers to understand the rich history of cooperation, this writing encourages exploration of how cooperative economics might address cataclysmic issues facing our global economy – and marginalized populations in particular.

2. Defining successful cooperatives

In examining the tradition of Black cooperation and solidarity, we begin with accomplishments and successes that we have observed throughout history. These justify and make further examination worthwhile to us. To identify these successes, it is critical to liberate ourselves from the mainstream model of “success” in business and evaluate each case we observe as we go. J.K Gibson-Graham (2014) identifies a tool in this process that grants scholars permission to center the economy on the “well-being of people and the planet” (Gibson-Graham 2014, p. S147). Rather than grand and complex “thick theories” which overshadow everyday interactions that keep the world around us livable, “thick description” steps in as a method that directs interpretive attention not only to material practices but to the nuances, affects, multiple codes of meaning, silences, jokes, parodies, and so on, that accompany [empirical experience]” (Gibson-Graham 2014, p. S148). Examining mutual-aid and solidarity economies throughout history in this way, allows us to see the ripples and waves of solidarity that have brought us to where we are today and will continue to have an impact on workers’ rights, civil rights, and human rights over the course of generations.

3. Successes

3.1 Enslavement and Underground Railroad

Under the most violent and outright forms of enslavement and oppression, African Americans have found a way to survive through mutual aid economies. African Americans formed the basis of cooperation to resist the conditions of their enslavement through worker slowdowns, pooling resources to buy one another’s freedom, and by formulating their own escape plans. They sustained themselves by farming together in small community plots to maintain access to their own fresh food until they garnered the resources to help buy each other’s freedom, share land and equipment, or to cover the costs of a proper burial for a loved one (Gordon Nembhard, 2014).

Though often referenced, the Underground Railroad is rarely framed as an “economic and social cooperation” response to conditions of economic violence. Through networks of abolitionists and independent Black communities, enslaved people escaped brutal conditions of exploitation and torture through reliance on organized shelter and material accommodations to meet their needs for survival. Rather than being left to fend for themselves with the little to no resources they were left with after enslavement, African Americans used solidarity to start independent schools, intentional communities, and mutual aid societies.

Although the Underground Railroad was not a permanent fixture, no one would claim that the Underground Railroad was not a success. It succeeded in providing housing, safety, and shelter to those fortunate enough to escape slavery. It was developed for survival and ended with emancipation – serving as an instrument toward a greater purpose.

3.2 Post-slavery/ Mutual aid societies

In addition to providing people with their everyday material needs of subsistence, each iteration of mutual aid was a case for the liberation of Black people – successfully demonstrating their humanity, love of freedom, and capacity for leadership and self-determination.

The Northampton Association of Education and Industry (NAEI) was a community established by abolitionists and social reformers in Western Massachusetts. They believed in social, political and economic egalitarianism and established a community-owned and operated silk mill around which they built a community. Though that was their overarching theory, their “thick description” was one in which *all* residents were encouraged to actively participate in *all* work which was essential to the well-being of their community. This egalitarian working environment and ethos impacted abolitionists Frederick Douglas and Sojourner Truth, both former slaves. Impressed by the customs of the NAEI, Douglas stated, “The place and the people struck me as the most democratic I had ever met...There was no high, no low, no masters, no servants, no white, and no black” (Douglass 1895, p. 130). Sojourner Truth also expressed astonishment and admiration, stating that the NAEI provided “equality of feeling,” “liberty of thought and speech,” and “largeness of the soul” (Truth 1850, “Another Camp Meeting”). Individualism and the lack of profitability of the silk mill caused it to disband; but not before impacting two of the greatest spirits in the abolitionist movement in the United States (Gordon Nembhard, 2014).

Black people continued to practice mutual aid through organizations such as the Independent Order of Saint Luke which grew from a mutual benefit association for women’s sickness and death in the late 1800s to a politically active organization which promoted the involvement of women and girls within

the organization through the early 20th century. The organization expanded economically, socially and politically, adding a department store and a bank (Penny Savings Bank) which bought and consolidated Black banks in Richmond VA (The Consolidated Bank and Trust Company) (Gordon Nembhard, 2014).

These undertakings contributed to a spirit of economic cooperation, consolidation of capital, instilled confidence in individuals and communities, and educated community members on business practices. These are benefits which would have been hard to come by in the late 1800s for Black people and Black women, in particular.

4. Role of black women

Black women have been an integral part of the Black cooperative movement - similar to their roles in the Black Church, mutual aid societies and the Civil Rights Movement (Gordon Nembhard, 2014). They often are the ones organizing and managing in the background, doing much of the scud work, without the glory or formal recognition. African American women were not just members but also the founders, managers, and/or directors of cooperative enterprises and cooperative activity in the USA. Interestingly, throughout US history, Black women cooperators were lauded by Black men cooperators for their energy, persistence and leadership in the cooperative movement; and for saving and resurrecting floundering co-ops (Gordon Nembhard, 2014).

Early mutual aid associations and collective activity in African American communities were arranged and strengthened by women’s work. Women like Maggie Walker (St. Luke Penny Savings Bank/The Consolidated Bank and Trust Company, Richmond, VA, early 20th century), Ella Jo Baker (Young Negroes’ Co-operative League, New York, NY, 1930s), Nannie

Helen Burroughs (Cooperative Industries of DC 1930s), Fannie Lou Hamer (Freedom Farm, Ruleville, MS, 1970s), and Estelle Witherspoon (Freedom Quilting Bee and Federation of Southern Cooperatives 1970s-80s), founded, organized, and directed important co-ops. Halena Wilson (President of the International Ladies Auxiliary to the International Brotherhood of Sleeping Car Porters, and the Chicago chapter of the Ladies Auxiliary) heavily promoted the study and practice of consumer cooperation in all the Auxiliaries and in the Black trade union movement, as well as in the full U.S. trade union movement, from the 1930s to the 1950s. She was supported by A. Philip Randolph in her co-op advocacy and education (Gordon Nembhard, 2014).

5. Employment and politics

Even if short lived, cooperative experiments had far-reaching significance for members and their communities. The Colored Farmer’s National Alliance and Cooperative Union began as a mutual-aid network to share techniques and coordinate efforts in agriculture in the late 1880s. By expanding through consolidation with southern agrarian organizations in the South, their numbers are reported to have surpassed one million (Gordon Nembhard, 2014). As the largest organization of Black Americans, collective bargaining activities included boycotts and strikes, which subsequently turned to politics. In an effort to assist its members with issues such as debt, declining crop prices, poor wages, and lack of capital, their political activities helped give rise to the People’s Party – an independent political party which was one of the most radical of its time.

Chesapeake Marine Railway and Dry Dock Company were organized by Black men who faced racial discrimination and oppression and sought to combat employment discrimination by securing ownership of a

shipyard (Gordon Nembhard, 2014). Their organization demonstrated the “power and capability of colored people in their industrial development” - and helped to create jobs, distribute profits, and secure civil and union rights, improving the livelihoods and reputation of Black workers in Maryland (Du Bois 1907, p. 153).

Myriad mutual aid society and cooperatives enabled and strengthened the livelihoods of subaltern communities in the United States. Enslaved and exploited Black people were able to gain emancipation - saved and inspired by cooperation and solidarity which protected them and liberated them from the shackles of slavery. When met with discrimination in the free labor market, through the creation of intentional communities and use of cooperatives, African Americans worked to successfully farm, to run their own cotton mills, to collectively buy equipment and supplies, to provide insurance and health services, and gain access to credit and financial services (Gordon Nembhard, 2004 and 2014).

6. Challenges

Just as a foundation of success was laid by previous generations who built solidarity economies with what they had, the negative space of their absence holds a framework for obstacles that they encountered and which are likely to arise again. Acknowledging and planning for such shortfalls allows the present generation to map a terrain of challenges which remain to this day. Although the legacy of inequity and discrimination persists, examination and consideration of these factors help strengthen cooperative efforts averting or mitigating the opposition which has slowed down the progress of previous generations.

Unrelenting opposition to success in cooperation were based in lack of

resources, inadequate management experience or training, as well as sabotage by White supremacists or service-related entities enacting racial harassment in various forms (exorbitant rent, insurance coverage, harassment of people and property) (Gordon Nembhard, 2014 and 2018).

6.1 Lack of capital

The same aspect which draws members to cooperatives for stability, has destabilized cooperative organizations continuously. Lack of capital to run cooperative organizations has made it difficult for organizations to survive due to the low-wages earned by the majority of African Americans, as well as the pressure to take action and see the fruits of investment in a short period of time. Earning on the edge of a living-wage makes long-term investment a precarious venture for those reliant on relief to provide for themselves and their families. In some cases this has led to premature launching of cooperatives that did not have sufficient capital, education, or experience to successfully operate.

In the case of the Buffalo Cooperative Economic Society, disinvestment in the area as well as high overhead costs and competition caused it to close, despite being one of the longest running African American cooperatives in the United States (from 1929-1961). The Society served its community by providing healthy food and accessible products as well as a business education program for African Americans in Buffalo, however the co-op regularly faced financing challenges; and according to the founder's wife Mrs. Nelson, the organization did not enjoy the patronage or support of Black businesses (Gordon Nembhard, 2014).

6.2 White supremacist terror

In cases where capital was not sufficiently crippling, white mobs, racist institutions, and discriminatory regulations worked to quickly stamp out any threat to prevailing racial-economic marginalization norms. Progression of the Colored Farmer's National Alliance and Cooperative Union which had achieved such monumental growth in a relatively short period of time, was arrested by a massacre carried out through local militia and posses following a defamation campaign against one of its leaders, Oliver Cromwell. The governor was called by White locals when the organization attempted to defend Cromwell, and at least twenty-five Blacks were killed in the resulting clash (Gordon Nembhard, 2014 and 2018). White supremacists terrorized other Black co-ops on into the 1960s; and white competitors have threatened and financially starved and/or over charged many Black co-ops throughout US history (Gordon Nembhard, 2018).

6.3 Capitalist pressures

While serving members of the cooperative, ensuring community well-being, and using social profits for good strengthened social ties and strengthened community mobility, many cooperatives were unable to compete in a capitalist market built to value profit above all. The model of community buy-in and solidarity economics was undercut by the pressures of the dominant social and economic systems which were free to fire employees, cut pay, and re-invest profits without having to answer to the community for its decisions. However, many co-ops survived such pressures by the very fact that they pooled scarce resources and leveraged their joint assets to solve community problems and make economic coopera-

tion work (Gordon Nembhard, 2004 and 2014; Gordon Nembhard and Haynes, 2002). We delineate below some of the lessons learned that aided in their survival and portend future viability of the cooperative economic strategy.

7. Lessons learned

Black Americans have retained a sense of humanity and cooperative practice from their African ancestors and created alternative economic activities that were jointly owned and democratically governed to strengthen their communities and provide for themselves as well as their families (Gordon Nembhard, 2014). In *Collective Courage: A History of African American Cooperative Economic Thought and Practice* (Gordon Nembhard, 2014), Gordon Nembhard discusses hundreds of mutual aid societies, and examples of formal and informal economic cooperation, and Black communal towns, from 1780 to 2013. She reports on over 300 legally incorporated cooperative enterprises owned by African Americans in rural & urban areas; North, South, and in the Midwest; from the mid-1800s to the present.

This history helps us to understand how subaltern populations use cooperative economics to address marginalization, discrimination, and poverty (see Gordon Nembhard and Haynes, 2002). What can we learn from this co-op history and these experiences? Gordon Nembhard (2014) finds that lessons learned include the importance of education; leadership, and recognizing and supporting the leadership of women and youth; economic democracy; pooling of resources; having strong organizations devoted to co-op development; and community support. From this history, we learn that education has been critical to the development and sustainability of Black co-ops. In addition, studying with others and engaging in business development with others creates social

capital and leadership skills – which also contribute to a co-op's success (see more below). Such leadership development in Black co-ops is particularly significant for Black women and youth. Co-ops that genuinely engaged and provided leadership roles for women and youth lasted longer and had more impact in their communities. The pooling of resources through economic democracy ensures that these efforts are people-centered and governed by multiple stakeholders. This allows people who don't usually have access to business ownership, an opportunity not only to participate but to benefit from joint business ownership. The pooling of resources also creates access to non-exploitative and community-based finance – to help address the capital challenges. The practice of economic democracy also allows for multiple voices to be heard, joint decision making and the balancing of power. We cannot overemphasize the importance of co-op development organizations controlled by Blacks. This provides culturally sensitive information and support with regional and national level networking and interlocking ecosystems. Strong organizations also bring members and numbers to co-op efforts and connect community with co-ops (see more below). These lessons provide guidance for current Black American co-op successes.

7.1 Importance of education

The underlying factor which strings together successes, failures, and *lessons* for the future is education. Various methods of study from orientation and training to networking and conferences, to study circles and formal classes in high school curricula were all employed in educating the populace about the opportunity for collective action and solidarity economics (Gordon Nembhard, 2014). Almost every Black co-op where there was information about how it formed started with a study group. Educating producer cooperatives

about business management and the industry that the cooperative operates in as well as informing consumer cooperatives about the production process and the workers who are engaged in that process are essential to the consideration given to the risks and benefits of cooperation, pooling resources, and trusting members of a community.

Education includes learning together about both the economic problems a community faces and possible economic solutions. Learning together builds trust and comradery, which are essential to the functioning of a co-op. Education includes studying cooperative economics as well as learning business skills, gaining the specific industry training needed to run a business, and learning by doing while engaging in social entrepreneurship and engaging in the practice of running a democratic community-owned business. Education also includes educating customers and the community about the co-op model and the cooperative's mission.

7.2 Importance of organizations and communities

Gordon Nembhard (2014) found that the most prolific periods of Black co-op businesses in the US were periods when there were the most or largest Black organizations focused on co-op development. In the 1880s it was the Colored Farmers' National Alliance and Cooperative Union (one of the largest organizations in African American history). In the 1930s it was the Young Negroes' Co-operative League, and in the late 1930s and 40s it was the Brotherhood of Sleeping Car Porters' Ladies Auxiliary. In the 1960s and 70s it was the Federation of Southern Cooperatives Land Assistance Fund – the largest Black regional co-op development organization that continues to exist today. In addition, in the 60's and 70's The Black Panther Party, the Southern Consumers Cooperative, The

Southwest Alabama Farmers' Cooperative Association, The Southern Cooperative Development Fund, and the Congress of African Peoples, for example, engaged in, promoted and supported co-op development among Blacks. This means that in addition to providing cooperative economics education, and some financing and other resources, the existence of these organizations increased exposure, as well as networking and advocacy opportunities for co-op development. These organizations focused African American collective action on economic democracy and alternative economic development strategies. Another result was more community understanding of and support for co-ops. Community support and protection was especially important in helping Black co-ops to survive the sabotage and white supremacist terrorism against them.

7.3 Examples of modern cooperatives

Institutional inequities have worked against under-resourced communities throughout this history. Through trust and solidarity as well as social energy, future cooperation can take place at a pace that is appropriate and sustainable according to available resources. While capital is being raised, work can also be done by members willing and able to donate their time and expertise for the good of the cooperative. Centering marginalized identities living in poverty can also permit effective modeling, which places resources where its most needed, will make the greatest impact, and can lay a sturdy foundation. As Rebecca Johnson, Director of Cooperative Economics for Women advised, "Start with those who make up the majority of those living in poor communities – women – and respond to their self-defined problem" (Johnson, 1997, p. 3; also see Gordon Nembhard, 2014, pp. 166-67).

In the face of institutional discrimination and racism, cooperatives like the

Freedom Quilting Bee in Alberta Alabama (started in the 1960s), worked to repair injustices done toward women who were dispossessed and criminalized due to their involvement in civil rights activities (Gordon Nembhard, 2014). Selling quilts generated income that allowed the co-op to buy land. Granting families access to land helped to supplement their income, gain economic independence, and provided sustainable control over their means of subsistence. The empowerment of dispossessed or unjustly incarcerated individuals through cooperation may find a way to New York City's cannabis industry through the cannabis cooperative *Budega*. Due to the expensive licensing costs of a booming industry and the history of incarceration many experienced sellers may have been subjected to, cooperation and solidarity provide an opportunity for individuals to enter a market dominated by those with access to large amounts of capital. *Budega* captions a group of women of color on their website with the words, "Imagine cannabis as a catalyst for social, economic, and environmental justice." With the prompt, "YOU can help make it happen" (BudegaNYC123, 2020). Met with mass unemployment, employees

formed the New Era Windows Cooperative in 2012, as they were faced with the sudden closure of their Chicago factory. Workers staged sit-ins, gathered signatures from their community and shared the capital they had to purchase machinery needed to keep the factory running (Mulder, 2015). New Era Windows was redesigned as a democratic workplace, reminiscent of the Dawson Workers-Owned Cooperative - an organization made up mostly of women who pooled their resources including union funds and met with the mayor to reopen their foreclosed sewing plant as a cooperative (Gordon Nembhard, 2014). This is reminiscent of many of the earlier Black co-ops that combined collective action and energy with the pooling of resources to create community and worker-owned businesses. Drawing from this lineage, a company on the road to financial ruin which threatens to force its employees into joblessness and to lose their pensions, may become an opportunity for worker ownership, with proper planning and education. There are actually growing numbers of worker-cooperatives in the USA, often conversions from existing businesses.⁴

8. Concluding remarks

Today's challenges and opportunities are prime for radical cooperation, mutual-aid and economic solidarity. Although the road may be long and winding, it will not be unfamiliar. Black co-op history and the lessons learned provide a roadmap to follow, drawing on ancestral knowledge and successful examples of economic cooperation. We need only choose such a path, envision where it may take us, and learn the lessons from history. A bright and burning flame fed by the people, we need only a spark to ignite it.

⁴ See The 2021 Worker Cooperative State of the Sector Report published in 2022 by the Democracy at Work Institute and the U.S. Federation of Worker Cooperatives:

<https://institute.coop/resources/2021-worker-cooperative-state-sector-report> .

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La Recepción de la Identidad Cooperativa en Cuba: Antecedentes, Realidad y Perspectivas¹

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Résumé

The Reception of the Cooperative Identity in Cuba - Background, Reality and Prospects

Abstract

This paper systematizes the main ideas developed by the homonymous panel of the «Cooperative Research Conference on Cooperative Identity» held within the framework of the 33rd World Cooperative Congress. The collective objective was to offer a comprehensive look at the current state and prospects for the development of Cuban cooperatives, articulating the themes to be dealt with in such a way that the expository order pays tribute to the themes addressed being complementary. With an introductory perspective, the historical tract of the legal/institutional framework of cooperatives in Cuba was valued. Next, attention was directed to the role that corresponds to agricultural cooperatives in rural areas. As a link between the two modalities present in the entities of the sector in the country, a critical approach was made on good cooperative practices. Next, the bases were systematized to diagnose the social perception of the partners about the Non-Agricultural Cooperatives. Finally, they reflected on the institutional and practical perspectives that seem to open up to these organizations on the island, taking as a reference the most recent legal documents that have been promulgated.

1 El presente trabajo sistematiza las principales ideas desarrolladas por el panel homónimo de la « Conferencia de investigación cooperativa sobre la identidad cooperativa» celebrada entre el 28 y el 30 de noviembre de 2021 en Seúl, República de Corea, en el marco del 33.er Congreso Cooperativo Mundial.

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La réception de l'identité coopérative à Cuba - Historique, réalité et perspectives

Résumé

Cet article systématise les principales idées développées par le panel homonyme de la «Conférence de recherche coopérative sur l'identité coopérative» tenue dans le cadre du 33e Congrès mondial des coopératives. L'objectif collectif était d'offrir un regard complet sur l'état actuel et les perspectives de développement des coopératives cubaines, en articulant les thèmes à traiter de telle sorte que l'ordre expositif rend hommage à la complémentarité des thèmes abordés. Dans une perspective introductive, l'historique du cadre juridique/institutionnel des coopératives à Cuba a été évalué. Ensuite, l'attention s'est portée sur le rôle qui correspond aux coopératives agricoles en milieu rural. Comme trait d'union entre les deux modalités présentes dans les entités du secteur du pays, une approche critique a été faite sur les bonnes pratiques coopératives. Ensuite, les bases ont été systématisées pour diagnostiquer la perception sociale des partenaires sur les coopératives non agricoles. Enfin, ils ont réfléchi sur les perspectives institutionnelles et pratiques qui semblent s'ouvrir à ces organisations sur l'île, en prenant comme référence les documents juridiques les plus récents qui ont été promulgués.

La Recepción de la Identidad Cooperativa en Cuba - Antecedentes, Realidad y Perspectivas

Resumen

El presente trabajo sistematiza las ideas principales desarrolladas por el panel homónimo de la «Conferencia de investigación cooperativa sobre la identidad cooperativa» celebrada en el marco del 33.er Congreso Cooperativo Mundial. El objetivo colectivo fue el de ofrecer una mirada integral al estado actual y perspectivas de desarrollo del cooperativismo cubano, articulando las temáticas a tratar de manera que el orden expositivo tribute a que los temas abordados se complementen. Con una perspectiva introductoria se valoró el tracto histórico del marco jurídico/institucional de las cooperativas en Cuba. A continuación, se dirigió la atención hacia el rol que corresponde a las cooperativas agropecuarias en el ámbito rural. A modo de enlace entre las dos modalidades presentes en las entidades del sector en el país, se realizó un abordaje crítico sobre las buenas prácticas cooperativas. Seguidamente, se sistematizaron las bases para diagnosticar la percepción social de los socios sobre las Cooperativas No Agropecuarias. Por último, se reflexionó sobre las perspectivas institucionales y prácticas que parecen abrirse a estas organizaciones en la isla, tomando como referencia los más recientes documentos legales que se han promulgado.

1. Introducción

La calidad y cantidad de las investigaciones en torno al cooperativismo cubano ha venido *in crescendo* durante los últimos años. Si bien el estado actual de la producción científica y el desenvolvimiento práctico de dichas entidades en Cuba no sugieren como factible hablar de un cooperativismo nacional articulado en torno a los principios que sirven de referente al movimiento a nivel global, se aprecia una evolución en ese sentido.

El espacio que ofreció la « Conferencia de investigación cooperativa sobre la identidad cooperativa » constituyó una oportunidad para la inserción en el debate internacional de la reflexión sobre algunas de las temáticas más interesantes relativas a la actualidad del sector en Cuba. Es preciso apuntar que en la isla se han aprobado nuevas regulaciones jurídicas destinadas a remediar insuficiencias detectadas en el proceso de expansión de estas formas asociativas hacia sectores de la economía donde no existían. Esto acontece casi simultáneamente con la entrada en vigor, en el año 2019, de una nueva Constitución de la República que inserta a la cooperativa en un ambiente institucional diferente, que impone diversos retos al sector.

En el panel los autores, desde la construcción colectiva, ofrecen una mirada integral al estado actual de la cooperativa en Cuba, así como para sus perspectivas de desarrollo, tal como se muestra a continuación.

2. Marco jurídico de las cooperativas en Cuba. Tracto histórico y realidad actual

La regulación jurídica de la cooperativa en Cuba no ha sido reflejo pasivo de la historia, sino que esta ha incidido dialécticamente en su evolución, en su estancamiento o en sus desviaciones. En tal sentido, pueden delimitarse tres períodos históricos fundamentales que marcan los antecedentes del actual régimen jurídico de las cooperativas en Cuba. El primero comienza con el traslado de instituciones peninsulares hacia la Cuba española a finales del siglo XIX, caracterizado por el simple reconocimiento de la institución, sin atribuirle régimen jurídico propio ni amparo legal para desarrollarse conforme a su doble carácter económico y social (Rodríguez Musa, 2017).

Dicho período se extiende hasta que los principios constitucionales de 1940 oxigenan la institución. Esta Constitución, por primera vez supra-ordena en el país rasgos suficientes de la cooperativa, en tanto tutela su carácter de empresa y orienta su fomento desde lo local para favorecer servicios públicos. Sin embargo, sus preceptos son omisos con respecto al contenido y el valor asociativo de la figura.

La tercera etapa, sobre todo a partir del texto constitucional de 1976, produjo el desmontaje del diseño anterior a través de la estatalización; reconoce el derecho a asociarse en cooperativas solo a los agricultores pequeños; desvirtúa la naturaleza jurídica de la institución hacia forma de propiedad agraria; limita sus fines a la producción agropecuaria y la obtención de créditos y servicios estatales; y le configura un ambiente institucional con altos niveles de dependencia e intervencionismo desde la Administración Pública. Tal panorama, condicionó la existencia de los tres tipos de producción cooperada en los campos cubanos, todavía existes: las Cooperativas de Créditos y Servicios (CCS), las Cooperati-

vas de Producción Agropecuaria (CPA) y las Unidades Básicas de Producción Cooperativa (UBPC).

El VI Congreso del Partido Comunista de Cuba, celebrado en abril de 2011, aprobó los Lineamientos de la Política Económica y Social del Partido y la Revolución, con el objetivo de sentar las pautas necesarias para conducir el proceso de actualización del modelo económico socialista. Estos Lineamientos, exigieron expandir estas formas asociativas hacia otras esferas de la economía diferentes a la agropecuaria.

Dicho propósito político, se concretó originalmente mediante un paquete legislativo de carácter experimental, contenido de un grupo de disposiciones publicadas en la Gaceta Oficial Extraordinaria No. 53, de 11 de diciembre de 2012, que configuraron el marco regulatorio para las llamadas Cooperativas no Agropecuarias en Cuba.

Sobre estas noveles formas asociativas, algunos han sido los estudios. Los resultados de estas investigaciones, muestran contrastes entre los rasgos de estas formas asociativas y la identidad cooperativa universalmente reconocida. Y es que, al iniciarse este experimento, se identificaban como limitaciones jurídicas para la cooperativa en Cuba las siguientes:

- Insuficiencias en su regulación constitucional, en tanto el magno texto no tutela el derecho de otros trabajadores diferentes a los agricultores pequeños a asociarse en cooperativas y, por tanto, no reconoce su existencia más allá del sector agropecuario de la economía. Además, reduce su naturaleza jurídica a forma de propiedad, descuidando así el vínculo cooperativo, la finalidad de servicio que le asiste, y los valores y principios que le resultan consustanciales.
- Ausencia de una concepción armonizadora y homogénea acerca de las cooperativas y de su naturaleza jurídica-

ca, lo cual está directamente ligado a la no existencia de una legislación general unificadora y armonizadora del sector, que se expresa actualmente en la pluralidad de normas, dispersas (algunas con carácter experimental), que lo fracturan entre lo agropecuario y lo no agropecuario, y que presentan poca sistematicidad y coherencia entre sí. Esto unido a antinomias o contradicciones derivadas del reglamentarismo excesivo y de la diversidad en las bases contextuales a las que responden. De esta forma quedaban en entredicho los rasgos y principios de la institución, así como la posibilidad de determinar normas supletorias aplicables sin distorsionarles. Todo ello redundando en afectaciones a la identidad de las cooperativas y al empoderamiento del que precisan para transformar su medio económico-social.

- Permanencia de un modelo absorbente en las relaciones de la cooperativa con el Estado, que afecta la autonomía de esta desde el proceso para su constitución y hasta el de su disolución, pasando por la determinación de su objeto social, por la planificación de su actividad económica y por las características de sus relaciones contractuales. A esto se unía la ampliación de los entes públicos que interactúan con las cooperativas promovéndolas, autorizándolas, calificándolas y controlándolas, los cuales se diversificaron tanto como las esferas de la economía en que estas funcionan y, con ellos, los métodos, políticas y disposiciones que se le aplicaban. Tal atomización limitó la consolidación de la identidad de la figura por sobre la esfera de la economía en que se desarrollan.

En la agudización de los efectos negativos de estas limitaciones ha incidido la generalizada falta de cultura jurídico-cooperativa, que ha derivado en que el legislador, el aplicador de la norma cooperativa y la sociedad en general, arrastren hacia estas

formas asociativas los esquemas de la empresa estatal o los importen de las formas capitalistas.

Como resultado de estas limitaciones en la plataforma jurídico-institucional, el proceso de expansión de las cooperativas hacia otras esferas de la economía nacional se vio afectado. Entre las dificultades reconocidas oficialmente estuvo la apropiación indebida de recursos e ingresos y corrupción, existiendo en algunos casos concertación entre cooperativas y entidades estatales para cometer ilegalidades, sobre todo en el sector de la construcción; cooperativas que materializan una parte importante de su gestión contratando fuerza de trabajo asalariada y comprando servicios a terceros; marcadas diferencias en los anticipos percibidos por los socios que ejercen como directivos, con respecto a los que realizan labores directas en la actividad fundamental (cooperativas donde los socios que actúan como jefes recibían anticipos 32 veces superior a aquellos que están asociados a la producción); utilización de créditos bancarios con fines diferentes a los conceptos por los que fueron otorgados; tendencia al incremento de precios; etc (Puig Meneses, 2017).

Ante este panorama, la dirección del país, para atajar las desviaciones existentes, optó durante varios años por no autorizar nuevas cooperativas, sino que apostó por consolidar las ya existentes reforzando las medidas de control administrativo e implementando cambios legislativos.

En este contexto, fue aprobada la Constitución cubana de 10 de abril de 2019, cuyo artículo 22, inciso d), reconoce la propiedad privada. Llega así el oportuno fundamento para autorizar la creación de empresas privadas bajo formas jurídicas de naturaleza lucrativa. De esta forma, desaparece la necesidad de aquellos que han usado a las cooperativas para encubrir este tipo de actividad económica, en tanto cada forma empresarial puede contar con su propio régimen jurídico, acorde a su esencia.

Además, el propio artículo 22 de la nueva Carta Magna, en su inciso b), reconoce a la « propiedad cooperativa », como « la sustentada en el trabajo colectivo de sus socios propietarios y en el ejercicio efectivo de los principios del cooperativismo ». La letra de este precepto posee algunos aspectos que significan una evolución respecto a la vieja Constitución de 1976, así como otros elementos que generan incertidumbre y varias ausencias que podrían redundar en inercia, a saber:

Inercia: Persiste la reducción de su naturaleza jurídica a « forma de propiedad », descuidándose el vínculo asociativo que implica, la finalidad de servicio que le corresponde, los valores que le resultan consustanciales y el ambiente institucional en el que -conforme a su identidad- se debe articular. Además, la formulación enfática respecto al « trabajo colectivo de sus socios propietarios » como sustento para las cooperativas, podría figurar como una limitación para constituir otro tipo de cooperativas diferentes a las de trabajo, como las de consumo o crédito (inexistentes hasta ahora en el país), también inspiradas en necesidades socioeconómicas de carácter popular y que podrían complementar/fortalecer el sector cooperativo cubano - hasta ahora - sin uniformidad ni articulación.

Evolución: En otro sentido, desaparece la perspectiva agrarista de la vieja Constitución. Ahora las cooperativas, sin importar el sector de la economía donde se desarrollen, tendrán protección constitucional. Además, se reconoce la pertinencia de unos « principios » que deben marcar el funcionamiento de estas instituciones, en tanto forman parte de un movimiento que las supera y las fortalece a todas por igual.

Incertidumbre: Sin embargo, cabe preguntarse a qué « principios del cooperativismo » se refiere el Constituyente, pues en la legislación cubana nunca se han mencionado los enarbolados por la Alianza Cooperativa Internacional, y tampoco se ha utilizado un criterio uniforme para definirlos. Por tanto,

diversas podrán ser las interpretaciones de la Constitución que realice el legislador, lo cual trasciende al régimen jurídico de estas formas asociativas.

Ante este panorama, donde resulta decisivo el papel del legislador ordinario para potenciar la articulación de un movimiento cooperativo nacional coherente con la identidad cooperativa, el ordenamiento jurídico continúa arrastrando la deuda de una Ley General de Cooperativas que finalmente supere la concepción fragmentada y reduccionista respecto a estas formas asociativas.

3. Cooperativas agropecuarias como factor indispensable para la soberanía alimentaria en Cuba

Las cooperativas agropecuarias son la herramienta comúnmente utilizada a nivel mundial para promover procesos de integración. La globalización de los mercados y el aumento maximizado de la competencia hacen precisa una vertiginosa y eficiente respuesta en el cooperativismo internacional. Las decisiones arrojadas por las sociedades cooperativas han ido orientadas a la ejecución de procesos de integración o concentración, siendo la constitución de cooperativas de segundo grado una de las vías más estiladas. Las Cooperativas agropecuarias son empresas vinculadas de forma estable al territorio rural y al productor agroalimentario. Además, ejercen el liderazgo en la economía de estas áreas y en la fijación de población en municipios rurales, contribuyendo así al equilibrio, la ordenación y el desarrollo rural

El cooperativismo agrícola en Cuba es históricamente hablando un fruto autóctono de la Revolución. El capitalismo dependiente en la etapa neocolonial nunca le dio cabida a pesar de esfuerzos aisla-

dos por promoverlo. Luego de varios experimentos cooperativistas en los años sesenta y primera mitad de los setenta, el cooperativismo se erigió en el núcleo central de la política agro-campesina para el completo desarrollo del socialismo en el medio rural a partir de la segunda mitad de los años setenta. Se crearon en el sector agropecuario las Cooperativas de Créditos y Servicios, las Cooperativas de Producción Agropecuarias y las Unidades Básicas de Producción Cooperativas (Acosta Morales, 2019).

En febrero del 2011 el fondo de tierra ociosa declaradas en el país ascendió a 1.868.210,84 ha, posteriormente se hace un conteo más intenso y se detectaron 500,0 mil ha, más el fondo de tierras ociosas inicial ascendió a 2,3 millones de ha. Situación que se revirtió en el otorgamiento de esas tierras a aquellos que quisieran trabajarlas, permiso que se tramita a través del Centro Nacional de la Tierra. Entre los principales problemas a los que en el corto plazo se debe encontrar una solución efectiva y sostenible para el enfrentamiento de los retos planteados al sector agropecuario, está la consecución de una estabilidad de la fuerza de trabajo en las labores primarias demandadas por las diferentes actividades productivas y de apoyo.

Esta meta, la de sembrar al hombre, como premisa para la reproducción ampliada de la producción agropecuaria en consonancia con las exigencias de la economía nacional, comporta la búsqueda y experimentación de diferentes fórmulas de vinculación del hombre al área, sobre la base de propiciar la permanencia de los trabajadores en el sector, a través del incremento de sus ingresos monetarios y en especies, mejorando su calidad de vida con la construcción de viviendas y facilitando el acceso a otros servicios en el medio rural, a fin de incrementar la productividad y los rendimientos productivos.

Los Lineamientos de la Política Económica y Social del Partido y la Revolución apro-

bados en el 2011, para actualizar el modelo económico cubano, con el objetivo el desarrollo económico del país y la elevación del nivel de vida de la población. El modelo reconoce y promueve, además de la empresa estatal socialista, forma principal en la economía nacional, a las modalidades de la inversión extranjera, las cooperativas, los agricultores pequeños, los usufructuarios, los trabajadores por cuenta propia y otras formas que pudieran surgir para contribuir a elevar la eficiencia. Estos lineamientos responden al orden económico, político y social, se hace énfasis en programas priorizados como el de seguridad alimentaria, cumpliendo con los planes económicos del país proyectados hasta el 2030.

Dentro de los ejes temáticos planteados se encuentran el potencial productivo y el territorial para lograr desarrollar una estrategia coherente e interrelacionada de desarrollo. Lograr una adecuada distribución territorial de las fuerzas productivas, conjugando la dimensión nacional y sectorial con la local, y un desarrollo prospero, ordenado y sostenible, para ello es necesario alcanzar niveles de producción y comercialización agropecuaria que garanticen alto grado de autosuficiencia alimentaria.

Teniendo en cuenta que en la actualidad cubana uno de los temas que más preocupa al Gobierno y a la población es el sustento de la canasta básica, sobre todo, en el orden de la alimentación diaria de los cubanos, evitando el lucro, el despilfarrero, el sobreprecio de los productos por aquéllos que sirven de intermediarios por cuenta propia, entre el campo y la ciudad; se buscan alternativas para crear una gestión efectiva fundamentalmente en producción, distribución, comercialización y consumo de los alimentos, así como, lograr el encadenamiento productivo, cuyas ventajas benefician a todos los actores implicados.

Entre los objetivos que se plantea en la visión de la nación para el 2030 está propiciar los encadenamientos productivos hacia el interior del país, elevar la producción, productividad, competitividad y sostenibilidad ambiental y financieras de las cadenas productivas agroalimentarias, a fin de contribuir a la seguridad alimentaria, aprovechar el potencial exportador, incrementar la sustitución eficiente de las importaciones y generar empleos o ingresos particularmente en la población rural, potenciando además con énfasis especial la articulación entre la agricultura y la manufactura, particularmente la industria alimentaria y entre sectores de servicio.

Según los resultados de este trabajo, los factores limitantes fundamentales de la sostenibilidad de la transformación agraria en la provincia se definen como la ineficiencia de la gestión agraria junto al bajo per cápita de la producción mercantil agropecuaria, la relación no equilibrada de la productividad / ingreso medio, la alta relación población urbana: población rural y la baja proporción de la población económicamente activa agropecuaria, consecuencias básicamente de los problemas en la disponibilidad, uso y distribución del agua; bajo porcentaje de la superficie total bajo riego y riego de alta tecnología y el déficit de energía e insumos para la producción de alimentos.

Las cooperativas de producción agropecuarias históricamente han contribuido al desarrollo local de los territorios en los que se encuentran enclavadas, asistiendo de manera general al bienestar de sus poblaciones. Sin embargo, el movimiento cooperativo en el actual proceso de internacionalización, está pasando por una transformación importante cuya misión, ideología y desempeño en el medio rural, está alejándose de los principios históricos. Los objetivos y estrategias seguidas por numerosas cooperativas respaldan la introducción de métodos de gestión identificados con la dogmática lógica empresarial y de mercadeo, y que tiende a privile-

giar al gran productor comprometido con una agricultura intensiva y productora de mercancías destinadas, principalmente, al abastecimiento del mercado externo.

La sostenibilidad alimentaria es imprescindible para referirnos a la capacidad de satisfacer las necesidades actuales de la población, sin poner en riesgo las de generaciones futuras. Por lo tanto, en materia de cooperativismo agroalimentario, se trataría de establecer actividades dentro de un programa de sostenibilidad de la industria de base cooperativa, en sus tres formas, sostenibilidad ambiental, económica y social. Desde esta visión, las cooperativas a pesar de seguir fines meramente sociales debido al vínculo con el estado en el caso de Cuba, debe de tener un mayor sentido de pertenencia, y crear programas más actualizados para lograr incorporar el universo juvenil a sus filas, sin perder de vista sus principios fundamentales y en aras de la formación de valores (Puentes, R. y Velasco, M. 2009).

Las cooperativas agropecuarias tienen una superioridad competitiva de partida, como es la sostenibilidad social. El mantenimiento de la cohesión social tanto dentro como fuera de las entidades, fortaleciendo las relaciones y estableciendo compromisos perdurables con los socios, los ciudadanos y la comunidad rural es característico de las cooperativas agroalimentarias. La estabilidad en el empleo, la promoción interna y la conciliación laboral y personal, así como de las actividades vinculadas al aspecto cultural y tradicional de una zona (gastronomía, producciones y factores de producción protegidos, sostenibilidad alimentaria en el consumo responsable) son hechos que se suelen vincular a las cooperativas.

Estas entidades estarán contribuyendo al desarrollo local desde los territorios, en sus aspectos sociales, económicos y ambientales según la estrategia de desarrollo hasta el 2030, en relación con un crecimiento integrador, sostenible e inteligente, que disfrute de altos niveles de

empleo, de productividad y de cohesión económica, social y territorial. Así como la búsqueda de un modelo económico más sostenible, el cooperativismo se erige como una alternativa competitiva y eficiente, que ofrece nuevas respuestas a los desequilibrios de la cadena de valor del sector agroalimentario y que, a su vez, promueve el empleo y promueve las cadenas alimentarias locales, la seguridad alimentaria, la participación y la responsabilidad de toda la sociedad.

4. Buenas prácticas cooperativas en Cuba y la responsabilidad social de las cooperativas

La sociedad actual se muestra cada vez más exigente con el tejido empresarial, en términos de que adopten buenas prácticas, y asuman una responsabilidad social que supere la dimensión estrictamente económica. En el ámbito cooperativo la responsabilidad social (RSCoop) se percibe como una alternativa que enaltece la ética y la filosofía cooperativa, en la práctica y cumplimiento de los principios y valores de estas; se ha elevado a rango de principio en algunas legislaciones como la cubana. En efecto, el modelo económico cubano actual reconoce el papel complementario del sector cooperativo respecto de la empresa estatal. A su vez, la Constitución cubana de 2019 reconoce el principio de responsabilidad social en el artículo 27, al refrendar a la empresa estatal socialista como el sujeto principal de la economía nacional, consagrando que las empresas estatales cumplen sus responsabilidades sociales. Principio que, *de facto*, se hace extensivo al funcionamiento del resto de los actores económicos, como las cooperativas.

Algunos ejemplos de buenas prácticas cooperativas en Cuba permiten argumentar, con elementos teóricos y prácticos, la necesidad de fomentar los comporta-

mientos responsables en estas organizaciones, desde una perspectiva que persigue reafirmar la necesidad de contar con instrumentos de medición de la incidencia social de las cooperativas, en todas sus vertientes.

Los resultados de una investigación sobre casos empíricos⁸ en el uso de fuentes bibliográficas ilustran que se desarrollaron dinámicas grupales con las Juntas Directivas y los asociados de las cooperativas. En algunos casos particulares se involucraron actores comunitarios.

En relación al procesamiento de la información, fueron identificadas las siguientes variables: conocimiento sobre los principios cooperativos y particularmente sobre la Responsabilidad Social Cooperativa; participación de los socios en la dirección y gestión administrativa de la cooperativa; relaciones de la cooperativa con los socios y sus familiares; realización de acciones de mitigación de daño ambiental por las actividades de la cooperativa; y, vínculo o impacto de la cooperativa con la comunidad.

Un aspecto conductor de todas las buenas prácticas expuestas es el énfasis emprendedor que tienen las cooperativas que los lleva a entender y desarrollar iniciativas sociales. Esto configura una cultura emprendedora en las cooperativas cubanas.

El catálogo de buenas prácticas ilustra, además, una parte del caudal y la diversidad de las prácticas de las cooperativas cubanas en materia de RSCoop. No obstante, se constata que el concepto es aún poco conocido en el sector y que la mayoría de las buenas prácticas constituyen

eventos aislados, carentes de sistematicidad, y no están incorporados a la gestión económica de estas. Ello depende del escenario económico en el cual se desarrollan las cooperativas, los beneficios y los excedentes percibidos al finalizar el ejercicio fiscal son lo que motiva esta actuación.

Las buenas prácticas cooperativas que les han elevado sus capacidades se manifiestan en los consensos logrados en la toma de decisiones, la constante preocupación por los procesos educacionales y formativos de los miembros de las CNoA, la cooperación entre cooperativas, y el vínculo con las comunidades, por solo mencionar algunos ejemplos.

El compromiso de las cooperativas en asumir la RSCoop, y el posicionamiento adecuado para conseguirlo, no es suficiente. Resulta necesario poner en práctica esos compromisos mediante buenas prácticas cooperativas, informarlas, medirlas y evaluarlas. Para ello se pueden utilizar diferentes métodos, entre los que se encuentra el denominado Balance Social.

En el sentido anterior, en el trabajo se fundamentan el Balance Social Cooperativo (BSCoop) como una herramienta de gestión empresarial, de carácter público, ideal para la evaluación del cumplimiento de la responsabilidad social en un período determinado y frente a metas de desempeño preestablecidas por la organización con el objetivo de lograr una evaluación integral de los procesos. Como herramienta de evaluación de la RSCoop facilita conjugar los aspectos económicos, sociales y medioambientales, y el logro de mayores beneficios no sólo para la cooperativa sino para la comunidad en la que opera.

⁸ Esta investigación tuvo como propósito caracterizar a la cooperativa y conocer los desafíos que tienen como organización en el contexto económico, político y sociocultural en el que se insertan, así como identificar factores que garantizan su éxito. Se realizaron indagaciones directas en cooperativas de cinco sectores esenciales (agropecuarias - 25, transporte - 4, construcción - 12, gastronomía - 21, servicios - 8, construcción - 12; y, reciclaje de materias primas - 2), radicadas, en lo fundamental, en La Habana y en provincias del occidente del país (Matanzas, Mayabeque y Pinar del Río).

El carácter público de este instrumento posibilita comunicar a los grupos de interés los resultados de la gestión social de la cooperativa, permitiría en el contexto cubano la comparación por las entidades verificadoras y auditores, del grado de cumplimiento de los principios cooperativos, estimulando las mejores cooperativas y desenmascarando las falsas que puedan crearse (carácter externo) y a las propias cooperativas rediseñar sus estrategias, establecer comparaciones con etapas precedentes, en fin, autoevaluarse (carácter interno). El espacio temporal coincidiría con el espacio del balance financiero, año fiscal, y respondería esta herramienta a estrategias previamente diseñadas y acordadas por todos los socios.

Finalmente, tener en cuenta, como premisa importante para la gestión social de las cooperativas, el reconocimiento y apoyo del Estado a la acción social directa de estas organizaciones. El Estado puede promover buenas prácticas cooperativas mediante exenciones fiscales y bonificaciones para aquellas cooperativas que obtienen resultados satisfactorios, así como el financiamiento a programas de desarrollo de estas prácticas. No debe pensarse en una responsabilidad social limitada únicamente a quienes deben llevarla a cabo, el Estado tiene un rol esencial y en este sentido puede establecer un marco referencial mínimo para la promoción y estímulo de acciones responsables.

5. Percepción social de los socios sobre las Cooperativas No Agropecuarias en Cuba

Las investigaciones desarrolladas en el campo de las ciencias sociales han contribuido a definir a la percepción y a concebirla como el conjunto de procesos que garantizan en los seres humanos el reflejo de la subjetividad, formándose, corrigiéndose y comprobándose a partir de ella, las imágenes del medio externo.

Igualmente, percibir nos ayuda a inferir los rasgos e intenciones de otra u otras personas. A esta habilidad, los autores desde las diferentes investigaciones que han desarrollado, le han llamado percepción social.

Gómez (2009), con su aporte de percepciones coincidentes y divergentes, nos servirá como un referente de apoyo para desarrollar este trabajo, el cual se propone diagnosticar esencias, ya sean comunes o no, en los socios de las cooperativas no agropecuarias cubanas (CnoA).

La revisión bibliográfica nos habla de la poca sistematización en el tema desde las ciencias sociales. Escasos trabajos describen las percepciones que de sus cooperativas poseen los asociados, ya sea en Cuba o en contextos foráneos. Los realizados hasta la fecha, no logran una representatividad de las muestras, y en otros casos se centran en el estudio de una variable en específico, imposibilitando que se realicen diagnósticos y caracterizaciones profundas sobre el tema.

Sin embargo, la escasa sistematización científica del tema no ha imposibilitado que se conozcan opiniones de los socios con respecto a las cooperativas que los agrupan. Diversos trabajos así lo demuestran. En ellos, las aproximaciones con los socios muestran algunas de las percepciones que han elaborado sobre las CnoA.

Consideran que a partir de su surgimiento:

- Aumentan sus ingresos, triplicándose como promedio.
- Incrementa la motivación.
- Mejora el ambiente laboral.
- Existencia de trabas para relacionarse con entidades estatales.
- Existencia aún de mecanismos burocráticos que subsisten entre una empresa estatal y una cooperativa.
- Limitada participación de los socios en las decisiones y asambleas generales.
- Limitaciones en el acceso al mercado o las irregularidades propias de este proceso.
- Discriminación a la cooperativa como ente económico.
- Existencia de prejuicios con relación a las cooperativas y sus socios (asociados a la malversación, el robo).
- Falta de capacitación y orientación hacia temas cooperativos.

Los criterios expuestos son un reflejo de la realidad que vivencian cotidianamente. Los asociados en estos trabajos, muestran opiniones tanto positivas como negativas en torno a las cooperativas no agropecuarias. Sus juicios desde un plano individual, se van configurando a partir de las experiencias, los aprendizajes y la familiaridad que poseen con su objeto perceptual.

Los socios interpretan su realidad, y la traducen en percepciones que en la mayoría de las ocasiones son coincidentes, por ejemplo:

- Desconocían lo que era una cooperativa y sus funciones al asociarse.
- Se realizaron pocas acciones de capacitación a los socios al momento de asociarse.
- Las mayores motivaciones para asociarse en cooperativas se derivaban de la prosperidad económica y el mantenimiento de su trabajo.

- Perciben una exigua participación como socios en la construcción de los Estatutos de las CnoA.
- Describen de igualitaria y colectiva la toma de decisiones de la cooperativa.
- Aún mantienen dinámicas de la empresa estatal en las relaciones socios-dirigentes.
- Catalogan de insuficientes las gestiones de la cooperativa para capacitar y educar a sus socios.
- Refieren que es escasa la cooperación y colaboración entre cooperativas, tanto a nivel territorial como nacional.
- Reclaman un aumento en la contribución de las cooperativas al desarrollo de su comunidad.
- No existe una proyección para mejorar la imagen comercial de las cooperativas.
- Perciben igualmente un aumento del trabajo y vínculos con la universidad.
- Opinan que los controles y controladores externos no se adaptan al funcionamiento de una cooperativa, sino que los practican a partir de las experiencias de la empresa estatal y en ocasiones se viola la autonomía de la cooperativa.
- Identifican en algunos decisores falta de pensamiento cooperativo.

Las percepciones identificadas se han configurado a partir de la creación y generación de la información que se maneja, teniendo en cuenta las necesidades, motivaciones y metas. Ello demuestra el carácter activo que han tenido los socios en la construcción de la realidad que vivencian con respecto a su trabajo. Sobre la base de los conocimientos, aprendizajes y experiencias adquiridos en este espacio laboral, han configurado juicios que llenan de significado y sentido personal a su objeto de representación. Estos criterios son positivos y negativos, en tanto algunos denotan un sentido de pertenencia y satisfacción con la cooperativa, otros

resaltan elementos en los que es necesario trabajar aún más para que no afecten su calidad y rendimiento. El desarrollo de la investigación nos ha permitido sistematizarlos y organizarlos. Para ellos, las CnoA han contribuido a:

- Aumentar la motivación hacia el trabajo.
- Hacer crecer los ingresos de los socios.
- Favorecer el grado de satisfacción y el sentido de pertenencia de los trabajadores.
- Fomentar y practicar la cooperación en el trabajo.
- Mejorar el ambiente laboral de los asociados.
- Lograr un trato igualitario en la toma de decisiones de la cooperativa.
- Aprovechar más las potencialidades de la empresa.
- Consolidar el pensamiento emprendedor en los socios.
- Fortalecer los vínculos de trabajo con las universidades y Centros de Estudios del país.

Estos criterios nos indican la existencia de percepciones coincidentes en todos los socios, pues a pesar de que usan diferentes expresiones al caracterizar a sus cooperativas, dichas expresiones son comúnmente compartidas, y llegan a agrupar contenidos perceptuales similares.

6. Perspectivas institucionales y prácticas de las cooperativas en Cuba

Aun cuando entre las dos manifestaciones del cooperativismo cubano existen diferencias es posible identificar puntos relevantes en común. Ellos constituyen el presupuesto de partida para valorar las proyecciones inmediatas de este sector

dentro del nuevo contexto de transformaciones asociado al desarrollo de los preceptos constitucionales y la implementación de las políticas públicas que se han priorizado en la primera etapa del Plan Nacional de Desarrollo Económico y Social hasta 2030.

En primer lugar, merece atención el alcance posible del rol de las cooperativas como protagonistas del desarrollo local. Al amparo de la Constitución aprobada en 2019, se reconoce la autonomía de los municipios y se potencia su desempeño como gestor del desarrollo de sus comunidades. Ello implica que se revalorice el peso relativo de los actores de la localidad a la hora de conformar e implementar dicha política, incluidas las cooperativas.

En el caso particular de estas organizaciones, por su naturaleza asociativa y empresarial, cuentan con un potencial que desplegar. De hecho, el Estado cubano, en tanto reconoce su carácter socialista (véase Preámbulo de la Constitución de la República de Cuba de 2019), debe de estimular, con preferencia, las formas de producción y apropiación colectivas. En tal sentido dispone de dos alternativas no excluyentes: la propiedad socialista de todo el pueblo (artículo 22, inciso a) y la propiedad cooperativa (artículo 22, inciso b). Esta última tiene una más inmediata posibilidad de socialización, puesto que se sustenta en el trabajo colectivo de los socios-propietarios y cuenta para su desenvolvimiento con el respaldo de los « principios del cooperativismo », que conectan directamente con la axiología democrática, de equidad en la distribución y socialmente responsable que propugna el modelo social asumido. Por ende, es doblemente recomendable que los entes locales prioricen en sus programas de desarrollo a las cooperativas.

En un segundo orden resulta de interés valorar los retos que se abren a estas organizaciones ante los nuevos escenarios del comercio. En la Cartera de Oportu-

nidades 2019-2021 ya se contemplaba como uno de sus principios generales que la inversión extranjera pudiera « dirigirse selectivamente al desarrollo de las formas de propiedad no estatal con personalidad jurídica, priorizándose el sector cooperativo ». También en esta materia se destaca la posibilidad de que las cooperativas, tanto las agropecuarias como las no agropecuarias, por su carácter de personas jurídicas, puedan ser consideradas como inversionistas nacionales (véase artículo 2 inciso m) de la Ley No. 118/2014 Ley de la Inversión Extranjera). Con ello se configura una diversificación de las fuentes de financiamiento para el desarrollo interno del país, convirtiendo a todos los sujetos económicos en protagonistas del mismo y dando espacios para su desenvolvimiento y legitimación. Estas oportunidades suponen un reto para las cooperativas para aumentar sus niveles de actividad y aprehender las herramientas esenciales para desenvolverse en un entramado de relaciones complejas por su dinámica.

En ese empeño resulta relevante, además, su incorporación al comercio electrónico en la exportación e importación de bienes y servicios, habida cuenta de la agilidad y competitividad que ello proporciona. El Decreto-Ley No. 370/2018 ordena la actividad comercial soportada por la tecnología de la información y las comunicaciones lo que comprende la promoción, la negociación de precios en Cuba. Al amparo de dicha norma y las disposiciones legales que la complementan puede comprenderse la novedad de estas prácticas en la sociedad cubana y sus perspectivas de avance. Para las cooperativas constituye un imperativo sumarse a las iniciativas de capacitación, habilitarse las cuentas bancarias, las firmas electrónicas, la utilización de las pasarelas de pago electrónicas y demás instrumentos que se ponen a disposición de las personas jurídicas con el fin de llevar a vías de hecho la aspiración de generalizar el comercio por medio del uso de las TIC.

En un tercer momento conviene analizar la proyección de las cooperativas ante la expansión de otras formas de propiedad. La Constitución de la República de Cuba de 2019, en su artículo 22, concibió una ampliación de las tipologías respecto a su predecesora. Entre ellas figura la articulación de sujetos para crear formas mixtas. Al respecto Barrera Rodríguez (2018) ha destacado la importancia de incentivar las alianzas entre la empresa estatal y las cooperativas como vía para aumentar el mercado para ambas, el acceso a financiamiento, la recuperación de fuerza de trabajo calificada o el aprovechamiento de recursos que hoy se están quedando en el sector privado.

Otro asunto notable en cuanto a la temática en comento es el nivel de configuración que debe ir alcanzando el sector cooperativo luego de la depuración de las formas de propiedad ante la autorización para la formalización de las iniciativas privadas, especialmente las MIPYMES. Con la publicación del Decreto-Ley No. 46/2021 « Sobre las micro, pequeñas y medianas empresas », que autoriza la creación de empresas de este tipo bajo formas jurídicas de naturaleza lucrativa, se pone fin a la práctica de utilizar a las cooperativas para disimular este tipo de actividad económica, en tanto cada forma empresarial puede contar con su propio régimen jurídico, acorde a su naturaleza. Como derivación de lo anterior es de esperar un robustecimiento del cooperativismo y una apreciación clara de sus esencias.

Por último, es preciso abordar la necesidad de perfeccionamiento de la asesoría jurídica a las cooperativas. La novedad, dinámica y complejidad del panorama socioeconómico y legal expuesto hacen aconsejable revisar y perfeccionar las maneras en que se realiza el asesoramiento jurídico a las cooperativas (Resolución No. 41/2018). La relevancia de optimizar el asesoramiento jurídico obedece a que las acciones que el jurista/asesor/consultor realiza tienen reflejo directo en la forma en que se proyecta el ente cooperativo.

Al contrastar los aspectos analizados, se evidencia que las esferas de acción de las cooperativas presentan una clara perspectiva de aumento, con el consecuente incremento de las exigencias en el plano legal. La magnitud de esta cuestión reviste singularidades en el escenario cooperativo, toda vez que los decisores, entiéndase los socios y los representantes, deben estar debidamente informados al respecto de las particularidades propias de los actos a realizar a fin de determinar los causes que mejor se ajusten a sus expectativas. Por ende, la preparación y el actuar de los juristas que fungen como asesores tendrán que multiplicarse, rebasando notablemente los actuales límites.

Por tal motivo, el estudio para la reorganización del proceso de asesoramiento debe contar con referentes teóricos precisos, pero también prácticos, que permitan procurar una clara delimitación de las formas, alcances y contenidos que pueden asumir las intervenciones de las cooperativas en las distintas líneas estratégicas de desarrollo existentes. En particular, han de precisarse las acciones de asesoramiento que corresponden en cada caso a fin de acceder a las vías legalmente disponibles en los distintos escenarios, por medio de los instrumentos legales adecuados, de forma que sea posible explotar al máximo la capacidad de estas organizaciones en favor de la localidad y el país e integrarse propositiva y activamente a la política de desarrollo.

7. Conclusiones

En Cuba, la regulación jurídica de la cooperativa históricamente no ha sido coherente con su identidad, sino que se le ha definido a partir de concepciones reduccionistas que no han favorecido su desarrollo integral. Al amparo del texto constitucional socialista de 1976, se potenció en el país un modelo agrarista con relaciones absorbentes hacia el Estado. Pese a ello, en la actualidad la cooperativa se está expandiendo hacia otras esferas de la economía nacional, proceso no exento de dificultades.

El cooperativismo se erige como una alternativa eficiente, que ofrece nuevas respuestas a los desequilibrios de la cadena de valor del sector agroalimentario, a la vez que promueve el empleo y la participación social. Sin embargo, las buenas prácticas en este campo constituyen eventos carentes de sistematicidad, que no están incorporados a la gestión económica de estas. El Estado debe promoverlas mediante exenciones fiscales y bonificaciones, así como mediante financiamiento a programas de desarrollo.

En tal sentido, se logran identificar algunas de las percepciones que tienen los socios sobre sus cooperativas, las que agrupan contenidos similares o coincidentes, y que reflejan necesidades, motivaciones y metas que dan cuenta del carácter activo que han tenido en la construcción de esta realidad.

La nueva Constitución cubana de 2019, pese a la inercia de reducir la naturaleza jurídica de la cooperativa a « forma de propiedad » y a la parquedad que manifiesta respecto a los fines de la institución y a los principios que deben guiar su funcionamiento, abre una puerta al legislador para institucionalizar un movimiento socioeconómico que supere las limitaciones que hasta ahora presenta.

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The Cooperative Identity and Challenges

La identidad cooperativa y sus retos

L'identité coopérative et ses défis

The Identity Problems of the Korean Agricultural Cooperative and Its Future

Seong-jae Park¹

The Identity Problems of the Korean Agricultural Cooperative and Its Future

Abstract

The agricultural cooperatives in Korea, also known as NongHyup (NH), were established in 1961 by integrating the Agricultural Cooperatives and the Agricultural Bank into one structure as multipurpose cooperatives. They face various identity problems stemming from property rights and structural problems due to the heterogeneity of members, business structure problems resulting from concurrent management of financial and economic businesses, and its relations with the government. Moreover, the distorted operation based on the perception and customs of cooperatives in Korean society further complicates problem-solving.

This paper aims to classify the identity problems of the Korean agricultural cooperatives, analyze their causes and effects, and derive prospects and tasks based on this analysis. The approach was mainly based on historical and institutional analysis using literature and statistics.

Les problèmes d'identité de la coopérative agricole coréenne et son avenir

Résumé

Les coopératives agricoles coréennes, également connues sous le nom de NongHyup (NH), ont été créées en 1961 par l'intégration des coopératives agricoles et de la banque agricole dans une structure unique en tant que coopératives polyvalentes. Elles sont confrontées à divers problèmes d'identité liés aux droits de propriété et à des problèmes structurels dus à l'hétérogénéité des membres, à des problèmes de structure commerciale résultant de la gestion simultanée d'activités financières et économiques, ainsi qu'à leurs relations avec le gouvernement. De plus, le fonctionnement déformé basé sur la perception et les coutumes des coopératives dans la société coréenne complique encore la résolution des problèmes.

Ce document vise à classer les problèmes d'identité des coopératives agricoles coréennes, à analyser leurs causes et leurs effets, et à dégager des perspectives et des tâches sur la base de cette analyse. L'approche est principalement basée sur une analyse historique et institutionnelle utilisant la littérature et les statistiques.

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Los Problemas de Identidad de la Cooperativa Agrícola Coreana y su Futuro

Resumen

Las cooperativas agrícolas de Corea, también conocidas como NongHyup (NH), se crearon en 1961 integrando las Cooperativas Agrícolas y el Banco Agrícola en una sola estructura como cooperativas polivalentes. Se enfrentan a varios problemas de identidad derivados de los derechos de propiedad y a problemas estructurales debidos a la heterogeneidad de los socios, a problemas de estructura empresarial derivados de la gestión simultánea de negocios financieros y económicos, y a sus relaciones con el Gobierno. Además, el funcionamiento distorsionado basado en la percepción y las costumbres de las cooperativas en la sociedad coreana complica aún más la resolución de los problemas.

El objetivo de este trabajo es clasificar los problemas de identidad de las cooperativas agrícolas coreanas, analizar sus causas y efectos, y derivar perspectivas y tareas basadas en este análisis. El enfoque se basa principalmente en el análisis histórico e institucional mediante bibliografía y estadísticas.

1. Introduction

The agricultural cooperatives in Korea, also known as NongHyup (NH)², were established in 1961 by integrating the Agricultural Cooperatives and the Agricultural Bank into one structure as multipurpose cooperatives. In the initial settlement stage, the government did not trust the autonomous management ability of NH. The government controlled NH according to its intention by appointing presidents of cooperatives at each level. In other words, the Korean agricultural cooperatives had an identity problem from the start, and later encountered new identity problems in the process of growth (Park, Seong-jae, 2016, 2021).

During the process of industrialization and urbanization, agricultural cooperatives in urban areas faced the problem of declining membership, resulting in non-farmers occupying most of the cooperatives' users. This caused identity issues as farmers' cooperatives, known as the "urban cooperative problem". The expansion of the associate membership system in 1988 legally resolved this problem. In other words, when residents in the cooperative district are recognized as eligible to use cooperative business, they are accepted as associate members and allowed to use the cooperative, and what they use is regarded as being used by members.

Over time, the number of associate members also increased rapidly in rural cooperatives. As of 2020, the number of associate members is about 9 times that of regular members. There is no legal problem, as the usage by associate members is regarded equivalent to member usage. However, from the point of view of farmers' cooperatives, the identity problem becomes serious (Shin, In-sik, 2013; Shin Kie-yup, 2010).

² As "NH" indicates both primary agricultural cooperatives and a group representing all primary cooperatives, it is used in a singular form to represent the agricultural cooperative movement in general.

Another identity problem is the managerial attitude that prioritizes management over members' convenience. Many critics argue that NH focuses solely on banking business to generate income while neglecting the economic business that members need (Seo, Joong-il, 2000; Park, Jin-do, 2009).

The distortion of the governance structure is also an important identity issue, as the governance power is concentrated in the president, resulting in a weak function of the board of directors. Similar to investor-owned companies, there is a risk of one-person control. In addition, since the head of the cooperative is directly elected by the members, various side effects such as weakening cooperative spirit due to the split of cooperative members, overheated elections and overload of election management work are appearing (Park, Seong-jae, 2016, 2019b).

Along with changes in the agricultural structure, the heterogeneity of members is increasing significantly, leading to the so-called property rights and structural problems of cooperatives (Cook, 1995; Chaddad and Cook, 2004; Shin, Kie-yup, 2010; Lim, Young-seon, 2014). As small farmers, hobby farmers, and retired farmers now constitute the majority, while full-time farmers become the minority. Cooperatives have less proactive in investing in agriculture and instead, focus on lucrative financial businesses, aiming to increase dividends to gather votes. Conflicts of interest between members raise adjustment costs, and full-time farmer members leave the cooperatives.

Lastly, the problem of legal identity arises as cooperatives that do not meet the standards set by the law for establishment approval continue to appear (Park, Seong-jae, 2019b). This is because the government has set high standards for establishment approval to promote the restructuring of agricultural cooperatives.

It is a very uneasy issue for cooperative, and they are demanding a revision of the related law (MAFRA, 2021).

This paper aims to classify the identity problems of the Korean agricultural cooperatives, analyze their causes and effects, and derive prospects and tasks based on this analysis. The approach was mainly based on historical and institutional analysis using literature and statistics. The order of approach is to classify the problem of cooperative identity, introduce the Korean agricultural cooperative system and its characteristics, and then analyze the identity problem of agricultural cooperatives, and draw prospects and tasks.

2. Cooperative identity problems

The issue of cooperative identity involves determining whether a specific organization called a cooperative is a socially recognized cooperative. It encompasses both the essential aspect, which is assessed based on whether it conforms to the definition of a cooperative and complies with its principles, and the formal aspect, which is evaluated based on whether it meets the formal requirements set by laws and systems (Hanel and Alfred, 1989; Go, Young-gon, 2000; Park, Seong-jae, 2019b). Considering both the essential and formal aspects of cooperative identity, it can be categorized into four categories (see Figure 1).

The first category comprises cooperatives that do not have identity problems, representing the ideal type of cooperative that fulfill both the essential and formal requirements (D in Figure 1).

The second category includes cooperative that meet the formal requirements but have many elements that are not typically

associated with cooperatives in essence. For these cooperatives, enhancing their identity through innovation from within becomes an important task (C in Figure 1).

The third category consists of cooperatives with a favorable essential aspect, but they do not meet the formal requirements. A representative example is the case where the establishment authorization standard is not satisfied in cities, islands, and remote mountainous areas with a small agricultural population (A in Figure 1). In this case, it may be a temporary phenomenon as it will be resolved once the legal standards are realized.

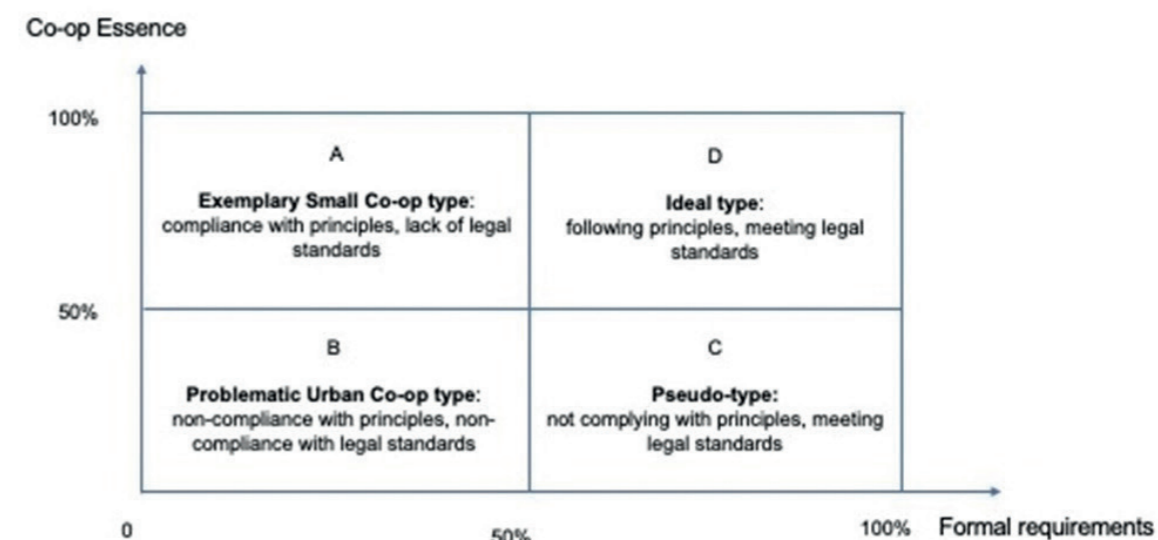


Figure 1. Types of cooperative identity problems in terms of nature and legality

Finally, the worst combination occurs when a cooperative fails to meet both the essential and formal requirements (B in Figure 1). It is crucial to address this situation by implementing internal innovation within the cooperative and making institutional improvements simultaneously.

3. Korean agricultural cooperative system and brief history

3.1 System

The agricultural cooperatives in Korea were established in 1958 under the Agricultural Cooperative Act. NH holds significant influence in rural areas, with nearly 100% of farm households being members. The primary agricultural cooperatives (PACs) and the National Agricultural Cooperatives Federation (NACF) are multipurpose cooperatives running sales, purchase, banking, and utility businesses simultaneously.

NH is a name of group that includes 1,118 PACs and their national federation, NACF. PACs are further categorized into regional cooperatives, which operate within specific administrative districts, and specialized agricultural cooperatives based on commodities. Regional cooperatives consist of regional agricultural cooperatives and regional livestock cooperatives, while commodity cooperatives include fruit and vegetable cooperatives, specific livestock cooperatives, and ginseng cooperatives.

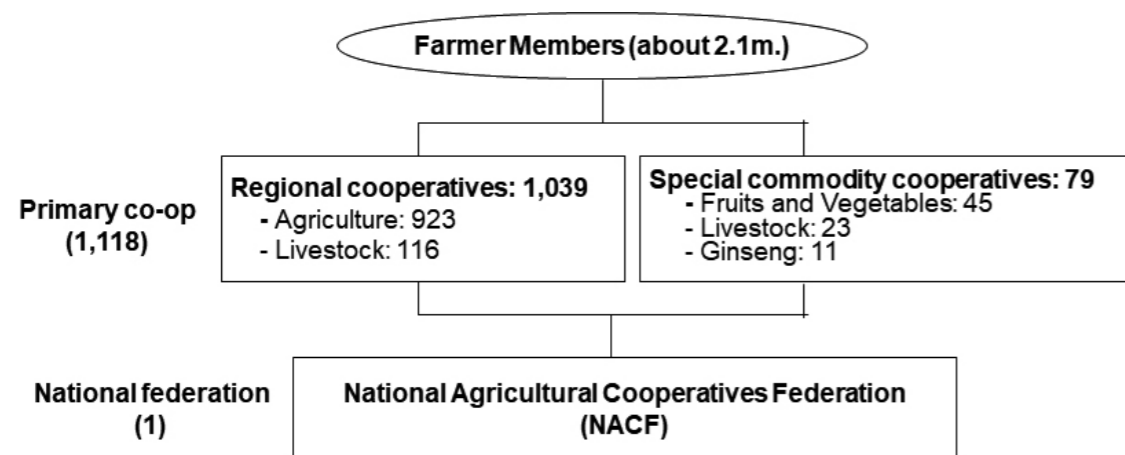


Figure 2. The organizational structure of NongHyup (NH)

There are about 2.1 million members in NH, and the combined assets of the PACs and NACF (including 1 headquarter and 2 holding companies) amount to US \$ 941.8 billion. The net profit alone reaches \$ 5 billion, and NH employs about 90,000 employees. NACF was ranked 2nd in the agri-food sector and 11th in the general sector among the world's 300 largest cooperatives, according to the World Cooperative Monitor (ICA and EURISCE, 2021). Along with successful business, NH has been highly evaluated as a model that has developed from a government-controlled agricultural cooperative to an autonomous agricultural cooperative for its members. Many developing countries

are interested in learning from NH's development experiences (Go, Young-gon, 2017).

NH has unique characteristics that are not commonly found in agricultural cooperatives in other countries. It functions as a multipurpose agricultural cooperative that conducts agricultural product sales, purchases, banking, and utility services together. The PACs and the national federation form a second-tier system organization. The national federation, NACF, serves as an umbrella organization with both business and guidance functions. Economic and banking businesses are conducted by two

holding companies. The PACs operate mutual finance, which is cooperative banking, and NACF has a special bank that operates similarly to commercial banks, in addition to offering insurance, securities, and investment finance. Although joining NH as a member is not compulsory, most farmers are members. This enables NH to effectively implement government

policy projects, as the policy targets of the government align with the members of the agricultural cooperatives. This alignment is rooted in the historical background of the establishment of agricultural cooperatives led by the government, which considered them as part of its economic development strategy.

Table 1. Assets and profits of NH

	Total Primary Coops	NACF			NH Total
		H.Q	Agri Business Group	Financial Group	
Asset	363.9	126.3	8.8	442.7	941.8
Net profit	1.4	1.1	0.01	2.5	5.0

Note: Primary co-ops based on the end of 2020, and NACF based on the end of 2021.

Source: NACF (2021); NACF (2022); NH Agribusiness Group (2022); NH Financial Group (2022)

3.2 Brief history

Discussions about the establishment of agricultural cooperatives began shortly after the establishment of the government in 1948. However, it took 10 years for these discussions to materialize due to different opinions between the Ministry of Agriculture and Forestry and the Ministry of Finance. The Ministry of Agriculture and Forestry advocated for a multipurpose agricultural cooperative that would run both banking and economic businesses, based on the model of the Raiffeisen cooperative in Germany. On the other hand, the Ministry of Finance insisted on the separate establishment of an agricultural cooperative exclusively in charge of economic business and an agricultural bank specializing in agricultural finance. In the end, following the Ministry of Finance's perspective, agricultural cooperatives and the Agricultural Bank were established as separate entities. However, due to disagreements between the two institutions, they were integrated in 1961 to form a new multipurpose agricultural cooperative called Nonghyup (NH).

Six months after the establishment of the multipurpose agricultural cooperatives, the government enacted a temporary measure law and changed the system to appoint heads of cooperatives at each level by the president of NACF. The government thought that NH lacked self-management capabilities, and it was essentially to control NH as the government intended (Go, Hyun-seok, 1995).

NH started with a three-level system: village cooperatives - county cooperatives - a national federation. However, because the village cooperatives were too small to effectively carry out business operations, only NACF and the county cooperatives carried out the business. To address this issue, NH implemented a village cooperative merger campaign from 1964 to 1972, which aimed to consolidate village cooperatives within each township into larger unit cooperatives. This initiative led to a decrease in the number of village cooperatives from 21,518 at the end of

1962 to 1,549 unit cooperatives by the end of 1973. Additionally, the average membership per unit increased from 89 to 1,331 (NACF, 1982).

As the unit cooperatives have grown in size, they set up offices and stores and hired employees to conduct business. They also took over part of the county cooperative business and ventured into new endeavors such as cooperative banking (Mutual Finance) and chain stores for daily necessities. With Mutual Finance, NH became to run two types of banks: a cooperative bank exclusively for members at PACs and a commercial bank for the general public at NACF.

As the unit cooperatives began their business in earnest, NH as a whole grew rapidly. The NH business gradually shifted from NACF's dominant status to a collaborative growth involving both the PACs and NACF. In particular, the Mutual Finance of PACs successfully mobilized rural savings and absorbed informal financial markets in rural areas (Park, Seong-jae, 2016).

On the other hand, as the unit cooperatives grew, overlapping functions with county cooperatives became a problem. To address this issue, NH abolished county cooperatives in 1981 and transferred their businesses to unit cooperatives. In addition, the livestock cooperatives were separated from NH and became an independent entity known as Livestock Cooperatives.

Although NH achieved sustainable growth primarily driven by the success of the banking business, the 1980s brought financial difficulties. Farm households that had borrowed money from NH found it increasingly challenging to manage their growing debts, exacerbating the situation. In the process of worsening the debt problem, NH maintained a strict position as a financial institution in debt management rather than adopting an approach of sharing the members' difficulties. This approach drew the members' complaints and since then, criticism has grown, asserting that NH has focused on managerial performance rather than the benefits of its members.

Table 2. Annual growth rates of businesses based on NH total (Nominal price value)

	Economic businesses			Banking and Insurance		
	Purchasing	Selling	Total	Deposits	Loans	Insurance
1965~70	5.2	19.6	10.3	56.0	39.1	76.2
1970~80	38.7	34.7	37.0	35.2	31.8	32.3
1980~90	11.9	15.8	13.5	26.7	25.5	27.8
1990~00	9.1	14.0	11.6	20.0	18.9	27.2
2000~10	9.4	5.2	7.2	9.2	10.4	3.1

Note: 1. the business volume was both the primary co-ops and the NACF

2. Deposits and loans were based on outstanding amount of balance.

3. Computing the data extracted from reference NACF (1991) and NACF (2011).

Source: Park, 2016.

The democratization of Korea in 1987 lifted the yoke of government control over the agricultural cooperatives. At the end of 1988, the Agricultural Cooperatives Act was revised, abolishing the Temporary Measures Act, which had fettered NH and granting NH the status of autonomous agricultural cooperatives run by their members.

The revised Agricultural Cooperative Act expanded the qualifications of associate members to those who wish to use the PACs as a resident of the cooperative district, allowing non-farmers to use the agricultural cooperative. This expansion presented a new growth opportunity for the banking business. However, with the inclusion of associate members, the cooperative principle of owner-user identity could no longer be fully maintained.

Although NH business continued to grow steadily, it faced structural challenges stemming from its reliance on banking business for revenue and incurring losses in the economic business. The problem was that this structure could lead to shrinking investment in economic projects and neglecting inefficiencies.

In the early 1990s, as the opening of the agricultural products market was determined, the issue of separating the banking business and economic business of NACF emerged to enhance NH's competitiveness. After 18 years of tedious debate, in 2012, the NACF's banking and economic businesses were separated into two holding companies.

After the business restructuring in 2012, the financial sector grew significantly, while the economic sector did not. NH Financial Group expanded its business sector and showed rapid earnings growth. On a consolidated basis, the financial holding company showed a 106.1% increase in assets, 495.5% increase in net profit, and 45.9% increase in the number

of employees between 2012 and 2021 (NH Financial Group, 2022). However, NH Agri-business Group failed to achieve results due to overlapping business plan adjustments and investment delays (Kim, Il-kwon et al., 2020). The property and management performance of NH Agri-business Group decreased compared to 2017 when the business transfer was completed. In 2021, assets decreased by 4.7%, capital by 4.2%, operating profit by 53.1%, and net profit by 46.6% (Park, Seong-jae, 2022).

4. Identity problems of the Korean agricultural cooperatives

4.1 Undermining self-regulation principle in the past

The military government in 1961 integrated the former agricultural cooperatives and the Agricultural Bank to launch a new multipurpose agricultural cooperative. However, the government did not believe in the autonomous functioning of the agricultural cooperatives. At that time, the guidelines for the integration, issued by "the agricultural cooperatives and the Agricultural Bank Integration Committee" stated that "due to past operational and management issues in agricultural cooperatives, autonomy in member management was refrained, and active government participation and guidance from its own higher-level organizations were tentatively prayed for". It clearly indicated that they did not believe in the autonomous management ability of agricultural cooperatives (Kim, Yong-taek, 2013, p. 115).

In February 1962, the government enacted the "Act on Temporary Measures on Appointment of Executives of Agricultural Cooperatives", which changed the cooperative's leadership from an elected system to an appointment system and

completed preparations to control the agricultural cooperatives as desired. The Temporary Measures Act allowed the NACF president to appoint presidents of member cooperatives. In addition, the government made it possible to control and interfere with NH through regulations such as the government approval system for business plans and budgets, the authority of local administrative agencies to supervise member associations, and the approval system for amendments to the articles of cooperative.

Since the NACF president was already appointed by the president of Korea and the steering committee, in which heads of government-related ministries participated instead of the board of directors, recommended the NACF president and made major decisions, the Act on Temporary Measures completed the system of putting both NACF and member cooperatives under government control.

Contrary to its name, the Temporal Measures Act lasted for 27 years and severely restricted NH. It was abolished with the revision of the Agricultural Cooperatives Act at the end of 1988, allowing NH to regain its status as autonomous agricultural cooperatives. NH, which has recovered its identity as an autonomous cooperative, has made efforts to strengthen its identity, but the negative effects of long-time control still remain (Park, Seong-jae, Joon-ki Park, Kie-yup Shin, 2012). Members have a weak sense of ownership and tend to be passive in participating in cooperative

business. The memory of losing the right to elect cooperative representatives to the government led members to believe that the way to protect the autonomy of the cooperative is to directly elect the cooperative leaders. As a result, it leads to highly contested elections for cooperative heads and the NACF president, which is causing many side effects. Although the issue of autonomy is no longer recognized as an identity issue³, the remaining distorted governance structure and overheated elections remain important tasks to be resolved.

4.2 Managerial attitude to pursuit profitability

In Korea, it is a common perception that cooperatives are regarded as non-profit organizations. Article 5 of the Agricultural Cooperative Act (principle of maximum service) stipulates that “cooperatives and NACF should not engage in business for the purpose of profit or speculation contrary to the purpose of establishment.”

However, it is important to note that the bank of NACF is a special bank for the purpose of agricultural development, not a cooperative bank. It functions like a commercial bank targeting the general public, and clearly aims to generate profit. There was an argument that NH should not operate it because it violates the cooperative principles (Seo, Joong-il, 2000). However, this claim did not gain widespread support as it was not realistic.

There are numerous criticisms that NH prioritizes cooperative income over member benefits (Seo, Joong-il, 2000; Park, Jin-do, 2009). This stems from the fact that multipurpose agricultural cooperatives, which run both banking and economic businesses at the same time, place more attention on resource allocation and management in the lucrative business sector. It is criticized that NH has concentrated its resources on the highly profitable banking business, neglecting the economic business that members need.

This criticism began to gain strength in the 1980s, when the growth gap between the banking business and the economic business widened. Especially in the 1980s, amid the generalization of agricultural commercialization, farm household debt began to rise and bring default problems. Members' financial stress was sharply aggravated by growing debts, and members' dissatisfaction with NH grew as they frequently rotted agricultural products in the fields due to unstable prices and inability to find a market (Park, Seong-jae, Joon-ki Park, Kie-yup Shin, 2012).

Since the 1990s, as the biggest complaint of members became the opening of the market and difficulties in selling agricultural products became, neglect of the economic business became the dominant perception. This eventually provided the theoretical background for the separation of banking and economic businesses, which led the two business sectors of NACF to be separated and reorganized into two holding companies in 2012.

4.3 Problem of the associate member system that resulted in a mismatch between ownership and use

The amended Agricultural Cooperative Act in 1988 introduced the associate member status, allowing non-farmers residing within the cooperative district to use cooperative business. Although associate members do not have ownership or voting rights, their usage is considered equivalent to that of regular members under relevant laws.

The associate membership system was implemented to address the needs of local residents who wanted to use the agricultural cooperative business and the needs of the agricultural cooperatives to expand their customer base. While associate members are clearly non-members in terms of ownership, they have the same usage rights as members. However, most scholars and members recognize associate members as non-members (Shin, Kie-yup, 2010; Shin In-shik, 2013).

As of 2020, the ratio of members to associate members in cooperatives across the country is 1:8.8, which is significantly higher than the 1:1.5 ratio seen in Japanese agricultural cooperatives. While the system was initially introduced for the convenience of local residents, over time, the number of associate members exceeded the number of regular members. Given the increased business usage, it became impossible for the cooperative to grow without associate members. Even though associate members cannot participate in the operation of the cooperative, their existence itself has become influential in shaping the direction of cooperative operation.

³ Some argue that the reorganization of the NACF's business structure, such as that in 2012, was due to government pressure, and that there is still a crisis of autonomy (Kim, Doo-nyeon, 2013).

Both Korean and Japanese agricultural cooperatives need profits from associate member transactions for the existence of their cooperatives, and actively utilize them. This can be called a profit-center model as Staatz refers to, and it distorts cooperatives' identity by managing cooperatives in a similar way to for-profit companies (Staatz, 1987; Shin, Kie-yup, 2010, p. 87; Lim, Young-sun, 2014, p. 239).

The expansion of the associate membership provided new opportunities for growth, but it faced an identity problem with a mismatch between ownership and usage. Resolving this problem is not simple because it arises from concurrently running a business with different characteristics and affects the management and existence of the cooperative. Raiffeisen cooperatives addressed this problem by separating banking and economic businesses, but such a solution may be challenging to implement in Korea and Japan due to their small-scale farm structures and diverse, small-scale production. Therefore, it seems that the Japanese agricultural cooperatives aspire to play a central role in rural regeneration and try to maintain the current multipurpose agricultural cooperative system, but the government's position that provided legal basis for separation of two business sectors seems different (MAFF, 2016; Masaaki, 2017).

4.4 Heterogeneity of members and structural problems of cooperatives

Since the mid-1990s, the conditions of agriculture and rural areas in Korea have deteriorated in many ways, and the heterogeneity among cooperative members has continued to increase. Between 1990 and 2020, the number of farm households decreased by 41.4% and the number of farm population decreased by 65.3%. Moreover, the percentage of the farm household population aged 65 or older increased from 11.5% to 42.4%. These changes have had a negative impact on NH's business conditions and have resulted in reduced vitality among members. At the same time, while the polarization within the membership has intensified, primarily between small-scale and large-scale farmers, the diversification by product items and the rise of part-time farming have further contributed to increased heterogeneity, resulting in frequent conflicts of interest among members.

The growing heterogeneity of members, particularly the rise in the proportion of small-scale farmers increased the possibility of full-time farmer leaving the cooperative. As members become divided into various interest groups by product item, farm size, and age, the cost of resolving conflicts arising from diverging interests increases. This, in turn, raises the likelihood of unfavorable decision-making for a minority of full-time farmers, and ultimately increases the possibility of their departure from the cooperative (Kim, Mi-bok et al., 2021; Hwang, Eui-sik et al., 2015).

Table 3. Changes in major agricultural structure indices

	1990	2020	Difference
No. of farm household (thousand)	1,767	1,035	41.4% ↘
Less than 0.5ha (%)	28.7	52.8	24.1%p ↗
Greater than 3.0ha (%)	2.5	7.1	4.6%p ↗
Full-time farm (%)	59.6	59.8	0.2%p ↗
Type 2 part-time farm (%)	18.4	29.6	11.2%p ↗
Farm Population (thousand)	6,631	2,314	65.3% ↘
Older than 65 (%)	11.5	42.4	30.9%p ↗

Source; MAFRA, 2022, 2021, Major Statistics of Agriculture, Forestry, Livestock and Food.

Between 2010 and 2020, there was a notable decline in the number of farms with a size of 2.0 hectares or larger, with a 25% decrease. Furthermore, the share of total farms occupied by such larger farms decreased from 15% to 13%. In contrast, during the same period, agricultural corporations (farming association corporations and agricultural company corporations) showed a rapid growth trend. The sales generated by of agricultural corporations in 2010 accounted for 54% of the economic business performance of regional agricultural cooperatives, but by 2020, it had reached 139%, far exceeding regional agricultural cooperatives (Park, Seong-jae, 2022). This suggests that among large-scale full-time farmers, there has been an increase in the number of farms that do not use the business of regional agricultural cooperatives but instead form agricultural corporations to directly sell their products in the market.

According to a survey, in 2020, the ratio of members using economic business among members of regional agricultural cooperatives reached 90.0%, but only 25.3% of members used the cooperative for sales business (MAFRA, 2021). In other words, most members use the cooperative to purchase agricultural materials or daily necessities, but do not use it for selling their agricultural products. This means that they are self-

sufficient farmers who have no surplus products to sell, or that they use their own sales channels. This deepens the problem of the cooperative structure. It suggests that in the future, NH may need to be transformed into cooperatives that cater more to small hobby farmers and sideline farmers rather than full-time farmers. NH has set sales Nonghyup as its vision and has been promoting the revitalization of marketing business. However, the practical usefulness of this approach is being questioned.

4.5 Distorted governance

The governance structure of cooperatives is weakening their cooperative identity, primarily due to the concentration of power on the cooperative president and the NACF president. This structure is a legacy of the government-controlled agricultural cooperative era, and the politicization of cooperative operations. Despite the evolution from controlled agricultural cooperatives to democratized ones, the governance structure still maintains a distorted system where power is centered around the head of the cooperative rather than democratic operation through the board of directors. The governance structure of NH resembles that of a capitalist company (investor-owned company) with power

concentrated in the largest shareholder, which is significantly different from the governance structure of general cooperatives that are democratically operated centered on the board of directors. The presidents of the PACs and NACF are directly elected by members through a separate procedure from the directors', suggesting a higher status for these presidents compared to other board members. This system poses the risk of individual decision-making, undermining the role of the board of directors. The presidents exercise not only the responsibilities of the chairman of the board and the right to represent the cooperative, but also have control over management and personnel affairs, which is not the case in developed countries.

Compared to the extensive power and status of the head of the cooperative, their accountability is relatively insignificant. As a result, the election for cooperative head is fiercely contested, resembling a political election. This dynamic has various negative effects on and harms the cooperative culture (Park, Seong-jae, 2019a). It not only caused confrontation and conflict among members, but also raised extreme distrust. Consequently, election management is entrusted to the state. Even in years without elections, it is difficult for the government and the NACF guidance department to fulfill their original duties due to civil complaints related to elections. The cooperative bylaws consist of 184 articles (compared to 10 in Japan (Hokkaido Nayoro Agri. Coop., 2016), with 57% of them being election-related regulations (Kim, Mi-bok, et al., 2021).

The problem lies in the distortion of governance and the presence of an irrational electoral system, which seriously damage the cooperative culture. However, it is difficult to find a leader who is willing to address and rectify these issues. Therefore, it is difficult to expect a resolution to this problem in the near future.

4.6 Problem of cooperatives that do not meet the standards for establishment

The Agricultural Cooperative Act requires that PACs must have at least 1,000 members for regional cooperatives and at least 200 members for commodity cooperatives to obtain approval for the establishment of cooperatives. Existing cooperatives may also have their authorization revoked if their membership does not meet the standards. The higher threshold for chartering was to facilitate the merger of small cooperatives to increase the benefits of members.

However, there is no evidence that this clause effectively promoted mergers. Over time, as the number of members decreased and the number of cooperatives that did not meet the standards increased, it became a problem. This issue was particularly noticeable in regional livestock cooperatives, where the number of producers plummeted as scale rapidly progressed. In addition, in the case of small cooperatives, there was a tendency to neglect disqualified members without adhering to the regulations, further exacerbating problems related to elections.

Even if the number of members is insufficient, authorization is not necessarily canceled. However, from the cooperative's perspective, it is clear that the standard is quite burdensome. In the field, several alternatives are being proposed along with the revision of related laws. As an alternative, it is proposed to lower the establishment approval standard to better align with the reality and attract new members by relaxing the membership qualification standard.

The relaxation of membership qualification standards is also supported in terms of expanding friendly forces of agricultural cooperatives. However, it may cause an increase in non-farmer members, thereby weakening the identity of agricultural cooperatives. From the point of view of the

identity of a cooperative, the criterion for accrediting the establishment of a cooperative is not very important. This is because the issue can be immediately resolved if the standards are relaxed in accordance with the actual situation. However, the government is delaying the revision of the law, concerned that many small cooperatives may give up their efforts to improve their structure and continue to operate at high cost and low efficiency.

5. Prospects and challenges

5.1 Prospects

NH can face three major crises: a business crisis, an internal organization crisis, and a regional crisis (Park, Seong-jae, 2022). If the banking business slows down or stagnates in growth, a business crisis such as reduction or abandonment of economic business may occur. The banking business is currently experiencing a surplus of capital and is significantly impacted by global competition, and technological innovations such as financial digitization and Fintech. These factors adversely affect smaller financial institutions, making a crisis more likely to occur sooner than expected. Household debt and real estate loans, which pose the biggest threats to Korea's financial industry, can have a more severe impact on small-scale Mutual Finance compared to large banks. In particular, the problem for Mutual Finance lies in the shrinking market due to population decline and the decline of regional industries. Additionally, since most non-farmers have already joined as associate members, there is limited potential for further expansion of the customer base.

NH may face a crisis due to conflicts of interest and conflicts arising from the structural problems caused by member heterogeneity and a decrease in member influence with the increase of associate members. Small farmer members are

likely more interested in welfare services and seek short-term returns based on membership, while full-time farmer members are more interested in agriculture-related businesses and long-term investments, prioritizing capital accumulation over short-term distribution. This creates a conflict of interest (Kim, Mi-bok et al., 2021; Shin, Kie-yup, 2010; Hwang, Eui-shik et al., 2015). Since the direct election system for the head of the cooperative is inevitably sensitive to votes, it will use an election strategy that exploits the heterogeneity of members, which can result in the demutualization of cooperatives. With the growth strategy focused on banking and the expansion of associate members, the importance of member participation in cooperative management may be underestimated, which can weaken the identity of NH as a farmer's cooperative. As of 2020, the proportion of members among cooperative users (members and associate members) is only 10.2%.

The theory of local extinction crisis is spreading as the rural population declines, the aging population increases, local industries decline, and the supply of basic living services becomes challenging. Since 1992, the population has decreased in 72 counties out of 82 counties nationwide, and the quality of life has deteriorated due to a decrease in the supply of basic living services (Sim, Jae-heon, 2018). The average time for mothers to reach delivery hospitals is 3.1 minutes in Seoul and 42.4 minutes in rural areas, and 44.4% of township had no daycare centers in 2019 (Kim, Mi-bok, et al., 2021).

In addition to the three major crises, the politicization of cooperative operations, combined with the departure of full-time farmer members, poses a threat to the existence of agricultural cooperatives. Small farmers and elderly members, who make up most of the membership, tend to feel a sense of belonging or ownership of the cooperative more strongly when exercising their voting rights during the election of

the cooperative president than when using the cooperative. Many members and leaders mistakenly perceive the direct election of the president as cooperative democracy. NH leaders such as the head of the cooperative or their candidates also tend to prioritize the political influence of the region rather than representing cooperative enterprise, which makes NH highly responsive to votes.

Furthermore, if the direction of cooperative operation changes to profit-seeking and growth-oriented strategies as the number of associate members increases, it can accelerate the departure of full-time farmer members. If NHs become cooperatives that full-time farmer members ignore, the government and society may withdraw their support for NH, leading to a real crisis that threatens NH's existence.

5.2 Challenges

The first task of NH is to maintain and strengthen the identity of agricultural cooperatives. Maintaining the identity of farmers' cooperatives is to strengthen the governance structure for full-time farmers who rely on agriculture for their livelihood, and to have business competitiveness so that full-time farmers can choose agricultural cooperatives. If most small-scale farmers who are likely to use less economic business become the majority, and their interests collide with those of full-time farmers, the one-person-one-vote cannot work effectively. In such cases, it is necessary to improve governance to ensure that decision-making on economic business reflect sufficiently the opinions of full-time farmers.

To prevent conflicts of interest between members and associate members, and to avoid decision-making that harms members by increasing the use of associate members, mechanisms need to be established.

A comprehensive solution is required to address the problem of weakened identity caused by the declining proportion of full-time farmers among cooperative owners and the decreasing proportion of members among cooperative users.

Secondly, strengthening competitiveness is important, and there is significant room for improvement. Enhancing cooperative identity ensures the justification for its existence, while strengthening competitiveness secures the sustainability of the cooperatives.

There is ample potential for strengthening productivity and competitiveness through improving efficiency. Since most agricultural cooperatives are small and have not reached the minimum cost threshold, economies of scale can be achieved through mergers. Examples include the integrated operation of mutual finance through solidarity and cooperation among member cooperatives, and the active use of joint marketing organizations to enhance the scale and specialization of economic business. Economic businesses of PACs are promoted with the support of zero interest funds from NACF, and if the balance goes into deficit, the loss is compensated by banking income. However, this business model, relying on both pre- and post-subsidies, may not foster competitiveness and sustainability. Therefore, a review of this approach is necessary. It is also necessary to strengthen value chain management. Although NH has built a value chain system from the production stage of inputs to the final retail stage, it has not fully reached value chain management through cooperation, communication, control and coordination between each stage.

Thirdly, cooperative spirit can be strengthened by improving operations based on cooperative principles, which, in turn, significantly increase members' use of cooperatives. Leaders should avoid inciting

conflicts and divisions among members for personal gain, enhance transparency in cooperative transactions, avoid free-riding through vote-conscious patronage projects, and operate in accordance with the principle of maximum service for members. By adhering to these principles, NH will be able to harness the power of cooperation.

Fourth, regional regeneration will be a new mission and a way out. In response to the collapse of rural communities, NH is one of the few important organizations that the community can rely on. The higher the possibility of local extinction, the higher the expectations for the role of NH. In the past, rural areas needed the agricultural cooperatives because enterprises avoided them due to undeveloped markets. However, now, rural areas demand NH to take over the roles of companies that leave due to reduced profits. NH is the largest enterprise deeply rooted in the communities and has capital, manpower, information, organization, and cooperative principle for community contribution. Despite the changing circumstances, NH will be able to meet these expectations by leveraging its experience of resolving rural problems, which essentially stem from market failure.

Fifth, internal innovation and institutional improvement must go hand in hand to strengthen identity and competitiveness and lead regional regeneration. It is also necessary to prepare for the future of multipurpose agricultural cooperatives. The ambiguous regulations concerning associate members should be revised to align with the current reality. In setting a new vision for the future of NH, the experience of advanced countries may provide valuable insights. Agricultural cooperative banks such as Rabobank and Crédit Agricole changed from farmers' cooperatives to local residents' cooperatives, while Raiffeisen cooperatives, the pioneers of multipurpose agricultural cooperatives, separated their banking and economic business sectors. The Japanese Agricultural Cooperatives (JA) are attempting to maintain multipurpose agricultural cooperatives while emphasizing the strengthening of the identity of agricultural cooperatives. However, depending on the situation, the possibility of separating banking and economic businesses remains open for consideration.

6. Conclusion

The Korean agricultural cooperative, NH, face various identity problems stemming from property rights and structural problems due to the heterogeneity of members, business structure problems resulting from concurrent management of financial and economic businesses, and its relations with the government. Moreover, the distorted operation based on the perception and customs of cooperatives in Korean society further complicates problem-solving.

Until now, most people believed that multipurpose agricultural cooperative was the best model for Korea's agricultural structure. However, it became clear that NH could not achieve growth and maintain its identity at the same time. The increasing conflict of interest arising from member heterogeneity necessitates a decision between prioritizing a large number of small and hobby farmers or a small number of full-time farmers. The prevalent anti-cooperative culture that focuses solely on winning elections, must be removed as soon as possible.

Agricultural and rural crises require solidarity and cooperation between farmers and rural residents. This is why expectations for NH are high. NH seem to believe that the current multipurpose agricultural cooperative system will remain effective in the future as well. In the past, NH was able to derive the power of cooperation based on the homogeneity of industry, people, and space. However, it is uncertain whether the current model will continue to be viable as industries and societies diversify, and various values come to the forefront. Resolving the identity problem requires a lot of effort and a long-time commitment, but it is crucial to recognize that the crisis in agriculture and rural areas, as well as the threat to NH, do not wait for time to pass.

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El Programa Ingreso Social con Trabajo y la construcción de Identidad Cooperativa

Juan Martín Asueta¹ y Giuliana Maricel Gaiga²

The Social Income with Work Programme and the Cooperative Identity building

Abstract

In the present work it is proposed to analyze the central aspects that make the construction of the cooperative identity in the groups formed from the Social Income with Work Program "Argentina Works" (PRIST), analyzing its design and implementation from the perspective of the beneficiaries of public policy.

Identities are constructions that are formed from sharing new experiences and in opposition to other identities. (Hopp, 2015). The cooperative identity involves the relationship that is formed between the participants and the cooperative entity, based on their voluntary and active participation in the democratic management of the organizations formed to satisfy the needs of their members.

The work investigates basic cooperative principles for the construction of identity and belonging of the members to their cooperative, such as voluntary and open affiliation, democratic control, economic participation and autonomy of the organization.

The conclusions are based on a qualitative study that includes the analysis of different research works carried out on the subject and of interviews with referents of three cooperatives that participated in the program in the city of Concordia, Entre Ríos, Argentina.

Keywords: worker cooperatives, cooperative principles, cooperative identity

Le programme de revenu social avec travail et la construction de l'identité coopérative

Résumé

Dans le présent travail, il est proposé d'analyser les aspects centraux qui font la construction de l'identité coopérative dans les groupes formés à partir du programme de revenu social avec travail «Argentine Travail» (PRIST), en analysant sa conception et sa mise en œuvre du point de vue des bénéficiaires de la politique publique.

Les identités sont des constructions qui se forment à partir du partage de nouvelles expériences et en opposition avec d'autres identités. (Hop, 2014). L'identité coopérative implique la relation qui se noue entre les participants et l'entité coopérative, basée sur leur participation volontaire et active à la gestion démocratique des organisations constituées pour satisfaire les besoins de leurs membres.

Le travail examine les principes coopératifs de base pour la construction de l'identité et de l'appartenance des membres à la coopérative, tels que l'affiliation volontaire et ouverte, le contrôle démocratique, la participation économique et l'autonomie de l'organisation.

Les conclusions sont basées sur une étude qualitative qui comprend l'analyse de différents travaux de recherche réalisés sur le sujet et d'entretiens réalisés avec des référents de trois sociétés coopératives de production ayant participé audit programme dans la ville de Concordia, Entre Ríos, Argentine.

Mots-clés: coopératives de travail associé, principes coopératifs, identité coopérative

El Programa Ingreso Social con Trabajo y la construcción de Identidad Cooperativa

Resumen

En el presente trabajo se propone analizar los aspectos centrales que hacen a la construcción de la identidad cooperativa en los colectivos conformados a partir del Programa Ingreso Social con Trabajo "Argentina Trabaja" (PRIST), analizando su diseño e implementación desde una perspectiva de los beneficiarios de la política pública.

Las identidades son construcciones que se conforman a partir de compartir nuevas experiencias y en oposición a otras identidades. (Hopp, 2015). La identidad cooperativa involucra la relación que se conforma entre los participantes y la entidad cooperativa, en base a su participación voluntaria y activa en la gestión democrática de las organizaciones conformadas para la satisfacción de las necesidades de sus miembros.

El trabajo indaga sobre principios cooperativos básicos para la construcción de identidad y pertenencia de los miembros a la Cooperativa, como son la afiliación voluntaria y abierta, el control democrático, la participación económica y la autonomía de la organización.

Las conclusiones se basan en un estudio cualitativo que comprende el análisis de diferentes trabajos de investigación realizados sobre la temática y de entrevistas realizadas a referentes de tres cooperativas que participaron de dicho programa en la ciudad de Concordia, Entre Ríos, Argentina.

Palabras claves: cooperativas de trabajo, principios cooperativos, identidad cooperative

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1. Introducción

El Programa Ingreso Social con Trabajo «Argentina Trabaja» (PRIST) fue implementado en Argentina en 2009 con el objetivo de promover el trabajo asociado y la inclusión de sectores excluidos de la economía de mercado. Se formaron cooperativas de trabajo encargadas de ejecutar obras de infraestructura en sus comunidades. El programa fue diseñado y ejecutado por el Ministerio de Desarrollo Social y fue parte de la política de inclusión social del gobierno. En 2018, el programa fue reconvertido en «Hacemos Futuro», con un enfoque en la inserción laboral a través de la mejora de la calificación educativa de los participantes.

En este trabajo, se plantea analizar los elementos esenciales que contribuyen a la formación de la identidad cooperativa en los grupos conformados a partir del Programa Ingreso Social con Trabajo «Argentina Trabaja» (PRIST). Se examinará el diseño y la implementación del programa desde la perspectiva de los beneficiarios de esta política pública.

Según Hopp (2015), las identidades se construyen mediante la experiencia compartida y en contraposición a otras identidades. En el caso específico de la identidad cooperativa, implica la relación establecida entre los participantes y la entidad cooperativa, basada en su participación voluntaria y activa en la gestión democrática de las organizaciones formadas para satisfacer las necesidades de sus miembros.

2. Aspectos metodológicos

La metodología se definió conforme a la realización de una investigación de tipo exploratoria, seleccionando como herramientas las entrevistas en profundidad y análisis de otras investigaciones sobre la temática.

La población estudiada está constituida por cooperativas de trabajo pertenecientes al PRIST de la ciudad de Concordia, donde funcionaron 54 cooperativas que integraban en conjunto a aproximadamente a 1600 asociados.

Para la selección de la muestra se utilizó un criterio no probabilístico, donde se seleccionaron 3 entidades que se encontraban activas en la ejecución de obras públicas, siendo las mismas referentes del programa implementado en esta ciudad.

Se consideró en la elección la disponibilidad de acceso a las fuentes de información y la conformidad de los consejeros de la cooperativa para responder a entrevistas y participar en reuniones grupales para expresar sus propios puntos de vista y testimonios concernientes al desempeño de la cooperativa.

Las tres cooperativas de trabajo seleccionadas fueron la cooperativa de trabajo Los Capullos de Villa Jardín Ltda., la Cooperativa de trabajo Juntos a Par Ltda. y la cooperativa de trabajo La Nueva Argentina Ltda.

La cooperativa Los Capullos se conformó en el año 2012 producto de una reorganización de beneficiarios de planes sociales que prestaban servicios a la Municipalidad de Concordia en distintos Centros de Desarrollo Infantil. Sus integrantes tenían la particularidad de ser en su gran mayoría mujeres.

La cooperativa Juntos a la Par, donde sus integrantes habían conformado una cooperativa previamente que funcionaba bajo la órbita de la Municipalidad y ejecutaban obras de mantenimiento. Sus integrantes, en su mayoría hombres, pertenecían a diferentes barrios (La Bianca, Lesca y Zona Sur) y las actividades las desarrollaban principalmente en la zona Sur.

La cooperativa La Nueva Argentina también se conforma a partir de un grupo cooperativo inducido por el Estado en el marco de un régimen especial regulado por la Resolución INAES N°2038 y que posteriormente se reorganizó en el marco del nuevo programa.

Para efectuar el relevamiento de datos dentro de las cooperativas seleccionadas, se diseñó una guía cuestionario a los efectos de entrevistar a las autoridades de dichas entidades.

A continuación, se analizan el grado y las limitaciones observadas en la puesta en práctica de los principios cooperativos siguiendo los lineamientos elaborados por el Comité de Principios de la Alianza Cooperativa Internacional (2015).

3. Programa Ingreso Social con Trabajo “Argentina Trabaja” (PRIST)

En el año 2009, en Argentina, por iniciativa del Ministerio de Desarrollo Social, se implementó el Programa Ingreso Social con Trabajo “Argentina Trabaja” (PRIST) que mediante la conformación de cooperativas de trabajo tenía como objetivo promover el trabajo asociado como medio de inclusión de sectores excluidos de la economía de mercado (Argentina, 2009).

A diferencia de su predecesor, el Programa Manos a la Obra conformado en el año 2004 que promovía la Economía Social a partir del apoyo a emprendimientos o iniciativas socioeconómicos (Argentina 2004), El PRIST introduce la novedad que agrupa en cooperativas a personas sin ingreso formal ni programa social, destinadas a ejecutar obras de infraestructura en sus comunidades.

El PRIST fue diseñado y ejecutado desde el Ministerio de Desarrollo Social donde se constituyó como un eje central de su política de inclusión social, en conjunto con la Asignación Universal por Hijo que se implementó en el mismo año.

Entre sus objetivos se encontraban promover el desarrollo económico y la inclusión social, generar nuevos puestos de trabajo genuino, con igualdad de oportunidades, fundado en el trabajo organizado y comunitario e incentivar e impulsar la formación de organizaciones sociales de trabajadores.

El PRIST se mantuvo vigente hasta principios del año 2018 donde fue reconvertido en un nuevo programa denominado “Hacemos Futuro” que pretende la inserción laboral basado en mejorar la calificación o nivel educativo de los participantes del programa (Argentina, 2018). Al momento de su reconversión el programa comprendía un total de 195.472 beneficiarios lo que pone de manifiesto la importancia y magnitud de este.

4. Identidad cooperativa

Las identidades son construcciones que se conforman a partir de compartir nuevas experiencias y en oposición a otras identidades. (Hopp, 2015). La identidad cooperativa involucra la relación que se conforma entre los participantes y la entidad cooperativa, en base a su participación voluntaria y activa en la gestión democrática de las organizaciones conformadas para la satisfacción de las necesidades de sus miembros.

En un trabajo realizado por Malena Hopp (2013), aborda la identidad de los beneficiarios del PRIST y concluye que los mismos si bien se consideran trabajadores, no tenían una identidad colectiva vinculada al trabajo asociativo y autogestionado.

En un estudio similar realizado por Arcidiácono, P., Kalpschtrej, K., & Bermúdez, Á. (2014), consideran que el PRIST se caracterizó por una lógica de trabajo asalariado, caracterizado por una transferencia directa de recursos desde el Estado, reforzando la idea de “receptores obreros”.

Las doctoras Alzina Pilar y Otero Analía (2013) analizaron las controversias que se generan en torno al PRIST y concluyen que, a diferencia de los autores antes nombrados, los montos son percibidos como un subsidio y no como una fuente salarial real, bajo una lógica de precarización e informalidad laboral.

Denise Kasparian (2019) a partir de sus estudios de cooperativas del conurbano considera que en los casos estudiados existe una especie de cogestión entre el Estado y la cooperativa, donde si bien existe una dependencia de recursos públicos y una lógica redistributiva más que productiva, se reconoce una relativa autonomía y posesión y control social sobre los escasos medios de producción.

También es importante destacar un estudio realizado por Fermin Martínez Ramírez (2019) donde destaca que en la puesta en práctica se crearon vínculos de compañerismo para lograr una mejor experiencia, pero este vínculo tenía la particularidad de ser frágil porque los trabajadores veían a la cooperativa como una opción eventual o transitoria.

En los distintos trabajos se exponen distintas miradas, lógicas e identidades que los beneficiarios del programa fueron construyendo a partir de su experiencia, y en ninguna de ellos se observa la existencia de una identidad cooperativa o de un sentimiento de formar parte de un proyecto colectivo autogestionado.

En nuestra hipótesis nos planteamos que la falta de puesta en práctica de los principios cooperativos es un obstáculo a la construcción de una identidad cooperativa.

4.1 Primer Principio: Membresía abierta y voluntaria

“Las cooperativas son organizaciones voluntarias y abiertas a todas las personas capaces de utilizar sus servicios y dispuestas a aceptar las responsabilidades de la afiliación, sin discriminación de género, condición social, raza, convicción política o religiosa”

Este principio fundamental involucra el ingreso y salida voluntaria de los asociados a la cooperativa, sin ningún tipo de restricción o discriminación. El ingreso y el mantenimiento de su condición está asociada a que el integrante asuma el compromiso de aceptar las responsabilidades de ser parte de la organización y ser capaz de utilizar sus servicios.

La adhesión involucra el deseo de autoayuda de la persona que busca mejorar su destino formando parte de la Cooperativa (Martínez Charterina, 2017) e involucra una relación entre la cooperativa y sus miembros, donde la entidad debe generar beneficios para mantener el compromiso e interés en ser parte de las mismas (A.C.I., 2015).

En el PRIST, si bien el proceso de afiliación fue voluntario, se destaca que las personas se sumaron a la iniciativa con el único fin de poder acceder a un ingreso económico para su subsistencia. Los afiliados sabían que tenían que cumplir con tareas agrupadas y que a cambio recibirían una ayuda económica del Estado.

Los nuevos asociados desconocían en absoluto que significaba ser parte de una cooperativa, cuáles eran sus principios, sus derechos y obligaciones. Solo podían acceder al programa personas que eran merecedoras de otros planes sociales previos o personas desempleadas.

En la conformación de los grupos quedó también evidenciado la falta de

conocimiento previo entre las personas que integraban cada colectivo, donde incluso muchas de ellas pertenecían a barrios muy distantes geográficamente, lo cual dificultaba aún más poder desarrollar actividades en conjunto o participar de asambleas o reuniones de asociados.

Esta situación provocó que en algunos casos se permitiera a una persona reemplazar su dedicación en las tareas del grupo a cambio de cumplir tareas sociales en su barrio, como por ejemplo trabajando en un comedor. Claro está que estas decisiones se adoptaron de manera arbitraria.

En la mayoría de los emprendimientos, con el transcurrir de los meses se fueron generando bajas o renuncias a partir de que algunos de sus integrantes pudieron acceder a una pensión o en otros casos a un empleo, demostrando que la permanencia en la cooperativa era algo temporal o coyuntural, mientras se buscaba acceder a un mejor ingreso.

La afiliación no era abierta, las personas no podían sumarse libremente y la entidad no tenía autonomía para aceptar nuevas afiliaciones, incluso para el caso de reemplazo de socios. Las organizaciones que se conformaron con 30 afiliados perdieron casi la mitad de su masa societaria sin posibilidad de incorporar a nuevos posibles interesados. En la ciudad de Concordia en el año 2011 el programa llegó a tener 2.252 beneficiarios y a diciembre de 2017 la cantidad se había reducido a 1.555. (Argentina, 2021)

4.2 Segundo Principio: Control democrático de los miembros

“Las cooperativas son organizaciones democráticas bajo el control de sus miembros, los cuales participan activamente en la determinación de sus políticas y en la toma de decisiones. Los hombres y las

mujeres que ejercen como representantes elegidos son responsables respecto a todos los miembros. En las cooperativas de primer grado los miembros tienen los mismos derechos de votación (un miembro, un voto) y las cooperativas de otros niveles también se organizan de manera democrática”.

Este principio reafirma la necesidad de mantener el control de la entidad por parte de sus asociados, quienes deben participar activamente en la toma de decisiones bajo un criterio democrático donde cada asociado tiene el mismo peso o valoración en De acuerdo al tamaño de la entidad y a la identidad que se consolide con sus miembros puede afectarse el ejercicio del control democrático, por un mayor poder de los consejeros directivos o cuadros gerenciales (Spear, 2004). En las cooperativas de trabajo es dable esperar una mayor participación en las decisiones al estar involucrados directamente en la gestión y en sus resultados.

En el caso de las PRIST, la formación y el funcionamiento de las cooperativas estaba sujeto al control y supervisión de la Unidad Ejecutora Provincial, las entidades carecían de autonomía para tomar decisiones estratégicas por parte de sus asociados.

La única autoridad con funciones era su presidente. Las reuniones que se llevaban a cabo tenían como finalidad resolver problemáticas puntuales de algún integrante y según el tipo de liderazgo que ejercía el presidente de la cooperativa, dichas cuestiones se resolvían de manera democrática o unilateral. En muchos casos las autoridades se ubicaban en un rol de propietarios de la Cooperativa, en especial quienes venían con experiencia previa en otras instituciones de cooperativas sociales y una activa participación en militancia política.

Debido a esta falta de autonomía y escasa formación sobre gestión cooperativa, no se realizaban órdenes del día para las

asambleas, ni se labraban actas de las reuniones, salvo las correspondientes a las asambleas para aprobar los estados contables obligatorios.

Otro dato característico de la falta de control democrático era que las asambleas se desarrollaban de manera simultánea entre todas las entidades pertenecientes al programa, siendo las mismas una mera formalidad.

4.3 Tercer Principio: Participación económica de los miembros

“Los miembros contribuyen de manera equitativa al capital de la cooperativa y lo controlan democráticamente. Al menos una parte de dicho capital suele ser propiedad común de la cooperativa. Los miembros suelen recibir una compensación limitada, si la hubiera, sobre el capital aportado como requisito de afiliación a la cooperativa. Los miembros destinan los excedentes repartibles a cualquiera de los fines siguientes: al desarrollo de la cooperativa –posiblemente mediante la creación de reservas, al menos una parte de las cuales será de carácter indivisible–, a la retribución de los miembros de manera proporcional a sus transacciones con la cooperativa, y a sufragar otras actividades aprobadas por los miembros”

Este principio expresa que los socios realicen de forma equitativa sus aportaciones para la formación del capital de la cooperativa y que parte del capital es propiedad común de la cooperativa, pudiendo percibir una retribución limitada, debiendo los excedentes invertirse o distribuirse en función de las transacciones realizadas por los miembros de la cooperativa (Martínez Charterina, 2018).

En el programa, los asociados no participaron económicamente en la conformación de un capital de trabajo y

por tanto no poseían derechos sobre los mismos. El patrimonio de las cooperativas estaba formado únicamente por las herramientas que le proporcionaban desde el programa, siendo apropiadas por las entidades, aunque al momento del cambio de programa no había un registro o inventario de las mismas.

Las obras o trabajos que realizaban no eran retribuidos y a su vez no tenían la capacidad de generar ingresos económicos propios por su cuenta o de incrementar su capacidad productiva. La ausencia de un capital propio colectivo es una característica común que ponía en una situación de dependencia económica del Estado y limitaba la capacidad de pensar en un proyecto autónomo capaz de generar una retribución al trabajo.

En nuestra ciudad se conformaron 59 cooperativas donde la mayoría no cumplía con tareas y actividades por falta de herramientas o insumos para poder trabajar. El capital es un insumo básico que debe estar al servicio de los asociados.

4.4 Cuarto Principio: Autonomía e independencia

“Las cooperativas son organizaciones autónomas y de autoayuda controladas por sus miembros. Si llegan a acuerdos con otras organizaciones –incluidos los gobiernos– o si reciben capital de fuentes externas, lo hacen en condiciones que garanticen el control democrático por parte de sus miembros y que respeten su autonomía cooperativa.”

Este principio adquiere relevancia a partir de la declaración de Manchester en 1995, dado que el mismo no tenía el rango de principio en las declaraciones de París 1937 y de Viena 1966.

En su definición engloba el principio rector de autonomía democrática que debe traducirse en mantener límites y

recaudos en sus relaciones con agentes externos para mantener la independencia, en especial que quienes aporten capitales o recursos, en especial de gobiernos o grupos inversores (Cracogna, 2019).

Un reto importante en las relaciones de las cooperativas con el gobierno surge cuando éste ve el desarrollo de las cooperativas como una herramienta clave en la aplicación de una política, por ejemplo, para la prestación de servicios en ciertos sectores económicos o bien como una herramienta para la creación de empleo y la reducción de la pobreza (ACI, 2015).

Las cooperativas del PRIST no tenían independencia del Estado, sino que por el contrario su dependencia era absoluta y su existencia y supervivencia estaba sujeta a las decisiones de política pública del gobierno nacional.

Además de la dependencia económica de ingresos, insumos y herramientas, existía una dependencia política que limitaba todo poder de autonomía por parte de las entidades creadas. La Unidad Ejecutora Provincial tenía a su cargo la asignación de tareas y de controlar la asistencia de los beneficiarios, con capacidad para establecer sanciones como deducciones en los montos o exclusiones por inasistencias u otros motivos.

Las entidades no podían decidir su objeto social, que tareas realizar y a quienes poder prestar sus servicios. No podían participar de licitaciones o concursos por obras públicas y realizar trabajos para terceros por fuera del programa Argentina Trabaja.

4.5 Quinto Principio: Educación, formación e información

“Las cooperativas ofrecen educación y formación a sus miembros, representantes electos, administradores y empleados para que puedan contribuir con eficacia

al desarrollo de la cooperativa. Asimismo, informan al público en general, en especial a los jóvenes y a los líderes de opinión, sobre el carácter y las ventajas de la cooperación”.

La educación está orientada a comprender el alcance del pensamiento cooperativo y el significado de las acciones cooperativas, fortaleciendo la identidad cooperativa y el espíritu cooperativista, por parte la formación persigue que los integrantes tengan las habilidades y aptitudes necesarias para llevar a cabo sus responsabilidades de manera eficaz (Arnáez Arce, 2015).

Desde el inicio del programa no se realizaron, en nuestra ciudad, acciones concretas de educación cooperativa. Las actividades formativas versaban sobre aspectos teóricos mínimos que se brindaron con escasa dedicación horaria y que comprendía a varias cooperativas en conjunto. No existió un proceso de aprendizaje que permitiera a los miembros de estas entidades cultivar principios y valores cooperativas y mucho menos una identidad cooperativa

Si bien el programa resignifica la ayuda como una contraprestación al trabajo las actividades de capacitación que permitan generar en los asociados nuevas competencias fueron mínimas. Las tareas desarrolladas eran principalmente de recolección y limpieza de espacios públicos. Sólo algunas pocas cooperativas pudieron desarrollar actividades de construcción, realizando obras como aulas para jardines de infantes o salones de usos múltiples.

4.6 Sexto Principio: Cooperación entre cooperativas

“Las cooperativas sirven a sus miembros de la manera más efectiva y fortalecen el movimiento cooperativo trabajando conjuntamente a través de estructuras locales, nacionales, regionales e internacionales”

Este principio es una extensión de la solidaridad interna hacia el exterior, promoviendo ventajas competitivas de las cooperativas a partir de alianzas e integración entre cooperativas (Martínez Charterina, 2012).

Las entidades del programa alcanzaron a agruparse en Federaciones provinciales y nacionales de cooperativas de trabajo, pero no pudieron realizar actividades conjuntas más allá de plantear mejoras en el valor aportado desde el Estado Nacional.

A nivel local no pudieron establecer acciones de cooperación motivadas por falta de autonomía e independencia y de no contar con recursos económicos.

Desde el movimiento de cooperativas tradicionales, es decir no inducidas por el Estado, tampoco se generaron acciones tendientes a propiciar acuerdos o potenciar la sostenibilidad de estos emprendimientos.

4.7 Séptimo Principio: Compromiso con la comunidad

“Las cooperativas trabajan en favor del desarrollo sostenible de sus comunidades mediante políticas aprobadas por sus miembros”

Este principio se sustenta en el arraigo que tienen las entidades en sus comunas y en la necesidad de desarrollo de sus comunidades para alcanzar sus propios objetivos (ACI, 2015).

Por el tipo de labor que desarrollaban, como tareas en comedores comunitarios, limpieza de espacios públicos y reparaciones de viviendas o espacios educativos, los trabajadores se identificaron como realizadores de actividades comunitarias o barriales.

En muchos integrantes, la realización de estas actividades generaba una motivación o un compromiso extra en la ejecución de las tareas a pesar de la falta de un reconocimiento económico. En las entrevistas los miembros manifestaron que si las obras no hubiesen sido en beneficio de la comunidad hubieran optado por no trabajar, ya que la carencia de controles eficientes generaba que muchos beneficiarios del programa no cumplieran con las tareas encomendadas y no recibían una sanción.

5. Conclusión

El PRIST por su propia configuración no pudo dotar a las entidades de la autonomía e independencia necesaria para la construcción de un verdadero proyecto cooperativo y en consecuencia no logró construir una identidad cooperativa entre los beneficiarios del programa.

El cambio en la política pública que dispuso la reformulación del programa de trabajo cooperativo por capacitación individual, desintegró los emprendimientos sin ninguna resistencia y/o reclamos de sus integrantes por mantener vigente el emprendimiento colectivo.

El programa no logró dar las condiciones necesarias para la puesta en práctica de los principios cooperativos, no siendo suficiente brindar un espacio de trabajo colectivo, sino que es necesario desarrollar un proyecto autogestionado de manera democrática y que pueda ser sostenible en el tiempo.

El programa evidencia una clara contradicción entre los objetivos propuestos y la metodología adoptada, donde en el desarrollo de las actividades no se ponía en acción ninguno de los principios cooperativos.

A partir de este trabajo se pone de manifiesto la necesidad de que en el diseño de las políticas públicas que promuevan la creación de cooperativas de trabajo asociado se contemple la puesta en práctica de los principios cooperativos a los fines de no desvirtuar la identidad y esencia de las cooperativas.

El Estado debe propiciar el trabajo asociado, acompañando el proceso de creación y desarrollo inicial, garantizando su autonomía, independencia y control democrático de sus miembros para que puedan desarrollar sus actividades. Es fundamental el desarrollo de programas de capacitación y educación que incentiven la participación y garanticen la participación de los asociados en el producido de su trabajo.

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Individualization of Society and Changing Role of Japanese Consumer Co-operatives: Challenges of Cooperative Principles and Identity in Japan

Iruma Tanaka¹ and Akihiro Hanzawa²

Individualization of Society and Changing Role of Japanese Consumer Co-operatives: Challenges of Cooperative Principles and Identity in Japan

Abstract

This paper consists of three parts. The first part provides a brief introduction to consumer cooperatives in Japan, their history, and their activity models. It also discusses the emergence of the “Han” system. The second part examines the reasons and process behind the dismantling of the Han system during the individualization of Japanese society and the changes in the retail business market. The third part discusses the case model of Seikatsu Club Kanagawa to illustrate the changes in their activity models. It highlights recent activities by members of consumer cooperatives aimed at strengthening cooperative principles and values to overcome challenges to the cooperative identity. The paper also presents the results of a survey conducted to compare the values between younger and elderly generations, with data and interviews primarily collected from Seikatsu Club Kanagawa.

Individualisation de la société et évolution du rôle des coopératives de consommateurs japonaises : Défis des principes et de l'identité coopératifs au Japon

Résumé

Ce document se compose de trois parties. La première partie présente brièvement les coopératives de consommateurs au Japon, leur histoire et leurs modèles d'activité. Elle aborde également l'émergence du système “Han”. La deuxième partie examine les raisons et le processus à l'origine du démantèlement du système Han au cours de l'individualisation de la société japonaise et des changements survenus sur le marché du commerce de détail. La troisième partie examine le cas du Seikatsu Club Kanagawa pour illustrer les changements dans leurs modèles d'activité. Elle met en lumière les activités récentes des membres des coopératives de consommateurs visant à renforcer les principes et valeurs coopératifs afin de surmonter les défis posés à l'identité coopérative. Le document présente également les résultats d'une enquête menée pour comparer les valeurs entre les jeunes générations et les générations plus âgées, avec des données et des entretiens principalement recueillis auprès du Seikatsu Club Kanagawa.

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Individualización de la Sociedad y Papel Cambiante de las Cooperativas de Consumo Japonesas: Los Retos de los Principios y la Identidad Cooperativos en Japón

Resumen

Este artículo consta de tres partes. La primera parte ofrece una breve introducción a las cooperativas de consumo en Japón, su historia y sus modelos de actividad. También analiza la aparición del sistema «Han». La segunda parte examina las razones y el proceso de desmantelamiento del sistema «Han» durante la individualización de la sociedad japonesa y los cambios en el mercado del comercio minorista. La tercera parte analiza el modelo de caso del Seikatsu Club Kanagawa para ilustrar los cambios en sus modelos de actividad. Destaca las recientes actividades de los miembros de las cooperativas de consumo encaminadas a reforzar los principios y valores cooperativos para superar los retos a los que se enfrenta la identidad cooperativa. También se presentan los resultados de una encuesta realizada para comparar los valores entre las generaciones más jóvenes y las más mayores, con datos y entrevistas recogidos principalmente en el Seikatsu Club Kanagawa.

1. Introduction

Despite the severe economic recession caused by COVID-19, consumer cooperatives in Japan increased their supply, and many of them experienced their highest sales ever in 2020. What makes consumer cooperatives different from other retail businesses is that they have a participatory approach. In particular, the Japanese consumer cooperative movement has been famous for its “Han” system. *Han* (班) means a small group in Japanese and a small number of consumer-members in the same or nearby neighbourhood are organized as a *Han* to receive their supply products from their consumer cooperative in a collective manner. However, while individuality and diversity are more respected in modern society, Japanese consumer cooperatives are now facing challenges to retain their identity and member participation. Today, participation in cooperative activities is considered a burden by many of their members. This is illustrated by the fact that the number of *Hans* has been steeply decreasing.

This paper, consisting of three parts, focuses on practical experiences in the field of Japanese consumer cooperatives rather than an academic analysis. The first part briefly introduces consumer cooperatives in Japan and their history by outlining the background of Japanese consumer cooperatives as well as their business models. The birth of the “*Han*” system will also be introduced. The second part briefly examines how and why the dismantling of *Han* occurred in the context of the individualization of Japanese society and changes in the retail business market.

The last part which is also the most significant will present Seikatsu Club Kanagawa as a case study showing the changes in their activity models. It aims to present some future perspectives by introducing cooperative members' recent activities that strengthen cooperative principles and values and that might allow cooperatives to overcome challenges related to the cooperative identity. The result of a survey that compares different values between younger and elderly generations will be discussed.

2. Japanese consumer cooperatives and their history.

Consumer Cooperatives in Japan have over one-hundred-year history since the experimental model led by Kyoritsu Shosha, the first Consumer Cooperative in Japan, established in 1879 under the influence of the Rochdale pioneer's cooperative. However, it is believed that Japanese consumer cooperatives developed their present model only after World War II. As of 2021, the total number of members in consumer cooperatives belonging to JCCU (Japanese Consumers' Co-operative Union) was 30 million persons with a supply volume of over three trillion yen (JCCU, 2022).

There has been a common perception that Japan is a Confucian and Collectivist society. However, in the context of the Westernization and Internationalization of the country, Japanese society has become increasingly segmented and individualized during the period of high economic growth resulting in the rapidly increasing number of nuclear family households. Due to these changes in society, cooperatives also experienced a dramatic shift in their standard membership model and delivery service system during the 1980s and 1990s, from the "Han" system to the individual delivery system.

Collective buying of food and other daily supplies from producers by "Han" had been an innovative model as an alternative to the traditional retail system of supply, while promoting new human values neither related to nor inspired by the pursuit of profit. "Han" was introduced in the 1960s when Japan became increasingly industrialized and experienced rapid urban population growth. Members needed to join "Han" to gain access to the supply products of consumer cooperatives. The "Han" system played an important role in new cities: to unite individuals and create

economic solidarity. *Han* also had an important role in empowering women to participate in local politics and economics because members of Japanese consumer cooperatives were, and still are, mainly women. A 1983 survey of 113 consumer cooperatives showed a total annual growth of 456,000 members, of which 72% (303,000) were *Han* members (JCCU, 2001).

However, the development of consumer cooperatives in Japan was slowed down due to economic stagnation and friction with other retail merchants. The internationalization of the retail sector was also a challenge for the consumer cooperatives which have been developing mainly in their local communities. It resulted in one-third of cooperatives being in difficulties by 1990 (JCCU, 2001). In the 1990s, the children of the first generation of the membership expansion period of the 1980s started to join the cooperatives as new members. Individuality and diversity were valued and respected more by the new generation. At the same time, the number of working parents increased. In consequence, the *Han* activities that had been the foundation of cooperative collective purchase became a burden for members of the new generation.

3. Dismantling of "Han"

When the individual order system was introduced in the 1980s, there was a rapid dismantling of "Han" system. Members no longer needed to join *Han* to buy food and other daily supplies from cooperatives or to take a responsible role in their *Han*. Indeed, membership and supply in consumer cooperatives have dramatically increased since then, and most new members preferred the individual order system over the *Han* system.

It must be emphasized that the adoption of the individual order system also had

positive impacts on cooperative activities (Michiba, 2002). There was a growing hierarchy and stagnation in leadership within members under the *Han* system, but generational change and replacement of the leadership were boosted under the individual order system. However, with the individualization, members became less engaged with cooperative activities, and many members tended to change their identity from 'members' to 'customers'. Whereas participation in cooperative activities was almost mandatory under the *Han* system, individually-registered members were only asked to participate in activities on a volunteer basis. The introduction of Information and Communications Technology (ICT) and the recent social distancing policy under COVID-19 are escalating the situation by decreasing opportunities for members to meet each other as well as cooperative staffs and thereby promote solidarity.

In addition to the decrease in member participation, as foreign firms have entered the market of product delivery services, competition becomes intense. Although Japanese consumer cooperatives are still in the leading position in this field, an ideological crisis has been weakening the cooperatives' competitiveness and uniqueness.

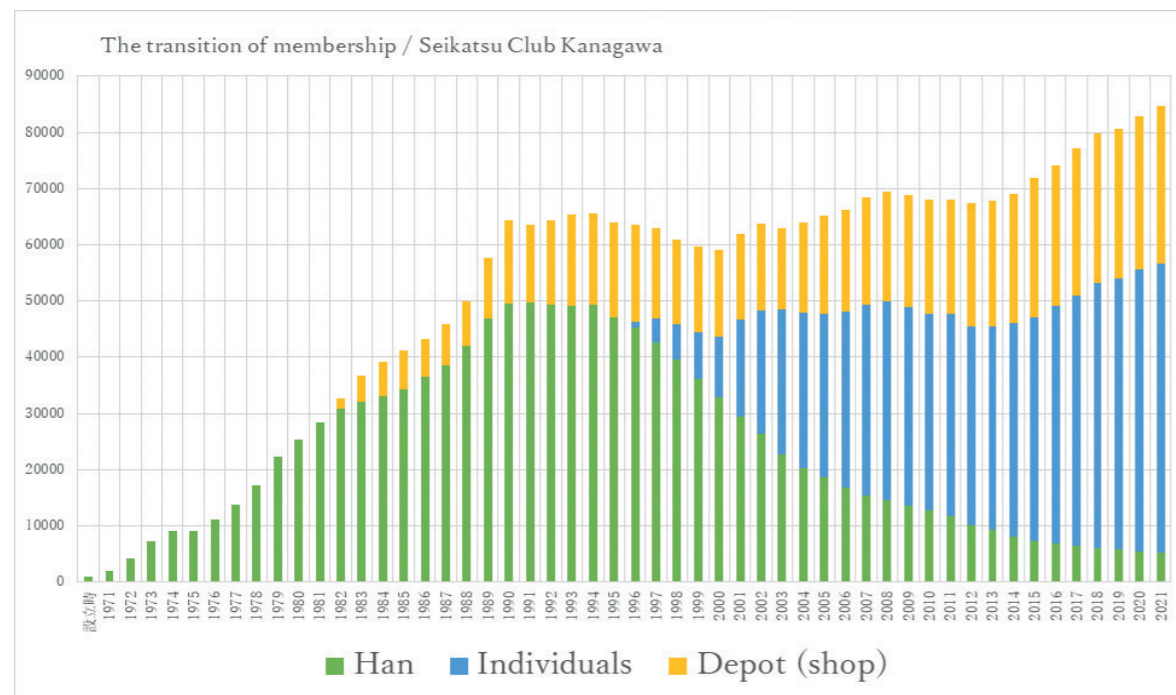
4. Case study - Seikatsu Club Kanagawa

4.1 Seikatsu Club Kanagawa and its challenges

Seikatsu Club is a consumer cooperative movement with its own national network and is part of JCCU. It started in Tokyo in 1965 at the initiative of women who wanted to improve their lives, local communities and society at large. Seikatsu Club Kanagawa is an independent prefectural branch of Seikatsu Club and celebrated its 50th

anniversary in 2021. It was established by local residents in Midoriku, Yokohama in Kanagawa prefecture in 1971 with the aim of "creating a community where people can live humanly" and "building a lifestyle that protects democratic and peaceful lives". Like many other consumer cooperatives in Japan, its delivery service increased by 160% in the highest month of 2020, and over 119 % year on year (Seikatsu Club Kanagawa, 2021). As of March 2021, there were 82,840 members in Seikatsu Club Kanagawa, which accounted for a 10.9 billion yen investment in capital with a business turnover of 25,570 million yen. As part of this, the mutual insurance business generated 250 million yen, and businesses related to social welfare, 540 million yen (Seikatsu Club Kanagawa, 2022).

For Seikatsu Club, "Han" was also the basic model of collective buying for its members to ensure and empower the autonomy of the local community. However, after the depot (retail shop model) and individual delivery system were introduced, the number of *Hans* decreased rapidly, as shown in the graph below.



Graph 1. Change of membership forms in Seikatsu Club Kanagawa

Although *Han* is still present and retaining its values, as mentioned earlier, many members have left *Han* and chosen to register as individuals. However, this alteration cannot be attributed solely to the burden of *Han* membership or the superiority of the depot / individual delivery system. It is also related to changes in members' values and views towards cooperative activities which can be observed in the survey conducted by Seikatsu Club Kanagawa in 2020.

A survey was conducted with randomly selected members of Seikatsu Club Kanagawa in May 2020. The data was collected from a total of 4,055 members: 2,435 members from the elderly group aged between 60 to 79. For them, the standard model of membership was *Han* when they joined the cooperative. Another group composed of the younger generation had 1,620 members aged between 30 to 49 who did not necessarily join *Han* to be a member.

To the question of "how they first learnt about Seikatsu Club", more than half of the elderly group answered that they learnt

about it from friends and neighbours in their local community. They were actively engaged in recruiting new members from their community. Each member had voluntary roles in *Han*, which included the work currently performed by employees in the cooperative. On the other hand, the most common answer from the younger group was that they learnt about Seikatsu Club from their family members. As Seikatsu Club Kanagawa marks its 50th anniversary, membership is now handed down to the next generations through family rather than their community or the cooperative itself. The younger generations are familiar with the products of Seikatsu Club, but not with the behind-the-scenes of how the system became accessible through the contribution of pioneer members or their parents.

Seikatsu club was initiated and developed by its members in all aspects. There is a strong sense of ownership for members who experienced this development process. The level of ownership depends on how much a member participated and is a key to fulfilling the cooperative principles. The Statement on the Coopera-

tive Identity states that a cooperative is an "autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise" (ICA, 2022). This identity is more clearly observed in the early stage of cooperative development, but over time it becomes unclear. Then, another question is raised: how a cooperative can be jointly owned by members in different stages, both at the organizational and generational levels?

Comparing the two generational groups in the survey shows several findings. Most importantly, the younger generation has as much, if not more, interest in social or environmental issues as the older generation. Their expectations for Seikatsu Club to be their platform to learn about or tackle those issues are not always lower than the elderly group. In the question for "Intention to participate in future activities and projects of Seikatsu Club," while the younger generation made positive responses with around 10% to 20% for most items, for the elderly generation, it was below 10% for all items except "exercise, health, and fitness".

However, the interest to participate in the "jointly owned and democratically-controlled enterprise" to empower women in local communities seems to be lower for the younger generation. Senior respondents (66.9%) answered that they feel the Seikatsu Club "helps women to have more influence on the community and society," compared to 49.2% in the younger generation. The results show that the role of Japanese cooperatives, which have historically played the role of "women's empowerment in society and economy", is changing in different ways. In fact, Japan ranks 116th out of 146 countries in the Global Gender Gap Report announced by the World Economic Forum in July 2022. This result can be mainly explained by the lag in the category of "politics" due to the low level

of women members in the Diet (9.7%), and in the cabinet (10%). Additionally, the category of "economics" shows poor wage equality for similar work and few women in higher-level of management positions (World Economic Forum, 2022). On the contrary, the employment rate of women aged between 15 and 64 rose from 46.7% in 1980 to 71.3% in 2021 (MIC, 2021). The expectation for the cooperative to be the platform for women to engage in economic activities may have decreased due to these shifts in the labour market in Japan.

4.2 Pursuing the cooperative identity

Seikatsu Club has been an organization that enables its members to address social issues and make changes in the local community. In 1979, the first Seikatsu club member was elected as a Ward assembly member in a city in metropolitan Tokyo. Since then, many members have been elected to represent civil society in local politics as the Proxy Movement (代理人運動, *Dairinin Undo*). This political movement has contributed to reducing the gender gap in politics and reflecting the opinions of local residents. However, the survey results suggest that Seikatsu Club is expected to put more effort into becoming an organization for individual members' social interests and activities, beyond sending representatives to local politics. The younger generation may be less interested in participating in the cooperative retail enterprise development or Proxy Movement, but keener on tackling social and environmental issues based on individual interest through the cooperative.

However, cooperatives are a collective movement and are mostly recognized as tools for accessing safe products at fair prices through collective buying. Since direct participation in cooperative business activities is no longer mandatory, Seikatsu

Club Kanagawa has been challenged to create various types of new activities and programs to encourage members to participate more actively.

What makes Seikatsu Club Kanagawa unique from other consumer cooperatives is that members manage autonomous and grass-root groupings called Commons and Depot. These voluntary entities are organized based on their living area, not by the administrative district, and are defined as a fundamental institution of Seikatsu Club Kanagawa. Commons and Depot are established in 69 local areas, and decentralization is an important factor in creating more participation.

4.3 New themes for members' engagement: Food, Energy, Care and Self-sufficiency

Based on those autonomous groups of members, Seikatsu Club Kanagawa encourages members to participate in the activities under the categorized theme of "Food, Energy and Care (F.E.C), self-governance and self-sufficiency" which was advocated by a Japanese economic critic, Katsuto Uchihashi.

In the theme of "Food", several local farms are now directly operated by members and the harvested products are planned for sale through the collective buying system in Seikatsu Club Kanagawa. The members will no longer be solely consumers but also be farmers and producers. Through this approach, members would directly contribute to raising the domestic food self-sufficiency rate of which Japan is now below 40%. It will generate opportunities to interact with other farmers and producers, as well as help members confirm the safety of the food and other products with their own eyes. The farms are planned to be incorporated in the near future.

For the "Energy", Seikatsu Club Kanagawa upholds non-nuclear power and promotes the reduction of greenhouse gas emissions, under the theme of "Reducing Energy consumption, Producing and Using renewable energy". Together with other Seikatsu Clubs nationwide, Seikatsu Club Kanagawa has established an electric power company called "Seikatsu Club Energy". Seikatsu Club Energy supplies electricity to members in partnership with power producers that mainly produce renewable energy. By the end of 2021, about 3,900 members in Kanagawa prefecture, 17,000 members nationwide, had agreed to use this energy as another way of participating in the "collective purchase of electric power". Members and Seikatsu Club Kanagawa are currently building a new power plant for renewable energy with their investment. Promoting renewable energy and other ecological activities resulted in 66% of the younger generation and 72.4% of the senior generation increasing their interest in environmental and energy issues. Of the younger generation, 10.3% (3.5% of the senior generation), now would like to participate in future activities to promote natural and renewable energy.

In the area of "Care", Seikatsu Club Kanagawa has established a unique mutual aid insurance system called Eccolo Mutual Aid, in which members pay a monthly mutual aid fee of 100 yen to support each other when help is needed in their daily lives. The supporters can contribute to helping other members as well as getting paid for their support work. The participation rate is currently 90.4% as of 2021.

A number of facilities for the elderly and day-care centres as well as community cafes are operated by the Workers' collectives (W. Co). W. Co is also another way of members' participation that Seikatsu Club Kanagawa established. There are more than 125 W. Co in Kanagawa prefecture with a total membership of 3,780 belong-

ing to W. Co Kanagawa Union in 2021. W. Co are cooperatives for workers, established as a way for the members to participate directly in various business activities of Seikatsu Club Kanagawa. Since 1992, the Club has been outsourcing its business activities to W. Co in various ways. Today, their activities include Depot (retail shop) management, delivery of collective purchases, organizational activities, mutual aid administration and promotion, welfare services and domestic work services.

New activities and programs are emerging every year in reflecting members' interests, and social trends. Cooperatives are voluntary organizations, open to all persons as stated in the Cooperative Principles. Participation is necessary for maintaining their identity, but it should not be a mandatory task that becomes a burden for members. Therefore, Seikatsu Club Kanagawa keeps challenging itself to be an open organization for members' participation in social actions.

5. Conclusion

Becoming a participatory organization is the most important factor for cooperatives to maintain their identity and ensure their sustainability. While the COVID-19 pandemic presented challenges to member participation, it has also led people to seek out new opportunities and institutions for social interaction.

There are a number of global issues that have a significant impact on our daily lives, such as the climate crisis, the COVID-19 pandemic, Russia's military attack on Ukraine, resource depletion, biodiversity loss, and food insecurity. To address these issues, it is essential to create a circular society and foster solidarity with various autonomous organizations at the local level.

Seikatsu Club Kanagawa will continue to create new associations, Workers' Collectives, civic projects and cooperatives to maintain its identity as a participatory consumer cooperative. It will also embrace the challenge of building a participatory and sustainable society that upholds the cooperative's fundamental values of self-help, self-responsibility, democracy, equality, fairness, and solidarity.

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Demutualization, Member Control and Financial Performance of Co-operatives in Kenya

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Demutualization, Member Control and Financial Performance of Co-operatives in Kenya

Abstract

When facing capital constraints and in the absence of member equity injections, co-operatives are pressured to either take on more debt, demutualize or sell to investor-owned firms. Notably demutualization alters the capital structure and member control rights. The third co-operative principle of Member Economic Participation calls for members to be the sole contributors and democratic controllers of a co-operative's capital. Cooperatives in Kenya have adopted the hybrid model of demutualization which strikes a balance between non-member capital raising aspects and preserving their co-operative identity. This has an implication on firm performance and organization structure. A question that arises is whether co-operative ownership structure is a conclusive determinant of financial performance. We therefore establish the influence of demutualization on the relationship between member control and financial performance. Using the time-series, cross-section design, we analysed data from holding co-operatives in Kenya for a period of 20 years (1998-2017). Our findings indicate that there is a negative and significant relationship between member control and financial performance of co-operatives in Kenya and that demutualization had a negative and significant effect on this relationship. We concluded that member ownership is a vital indicator of co-operative identity and demutualization threatens this position. If capital needs continue to rise, members may lose control and ultimately the organizations may cease to be co-operatives in terms of operations. Recommendations include creation of credit schemes and revolving funds accessible to the co-operative sector so as to assist co-operatives that are experiencing financial difficulty or looking into expansion.

Keywords: demutualization, member control, financial performance, co-operative capital, Kenya.

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Démutualisation, contrôle des membres et performance financière des coopératives au Kenya

Résumé

Lorsqu'elles sont confrontées à des contraintes de capital et en l'absence d'injections de fonds propres de la part de leurs membres, les coopératives sont poussées à s'endetter davantage, à se démutualiser ou à se vendre à des entreprises détenues par des investisseurs. La démutualisation modifie notamment la structure du capital et les droits de contrôle des membres. Le troisième principe coopératif de la participation économique des membres exige que les membres soient les seuls contributeurs et contrôleurs démocratiques du capital d'une coopérative. Les coopératives du Kenya ont adopté le modèle hybride de la démutualisation, qui permet de trouver un équilibre entre les aspects liés à la levée de capitaux par des non-membres et la préservation de l'identité de la coopérative. Cela a une incidence sur les performances de l'entreprise et la structure de l'organisation. La question qui se pose est de savoir si la structure de propriété des coopératives est un déterminant concluant de la performance financière. Nous établissons donc l'influence de la démutualisation sur la relation entre le contrôle des membres et la performance financière. En utilisant la méthode des séries chronologiques et des coupes transversales, nous avons analysé les données des coopératives de gestion au Kenya sur une période de 20 ans (1998-2017). Nos résultats indiquent qu'il existe une relation négative et significative entre le contrôle des membres et la performance financière des coopératives au Kenya et que la démutualisation a eu un effet négatif et significatif sur cette relation. Nous avons conclu que la propriété des membres est un indicateur essentiel de l'identité coopérative et que la démutualisation menace cette position. Si les besoins en capitaux continuent d'augmenter, les membres risquent de perdre le contrôle et, en fin de compte, les organisations pourraient cesser d'être des coopératives en termes d'opérations. Les recommandations comprennent la création de programmes de crédit et de fonds renouvelables accessibles au secteur coopératif afin d'aider les coopératives qui rencontrent des difficultés financières ou qui cherchent à se développer.

Mots clés: démutualisation, contrôle par les membres, performance financière, capital coopératif, Kenya.

Desmutualización, Control de los Socios y Rendimiento Financiero de las Cooperativas en Kenia

Resumen

Cuando se enfrentan a limitaciones de capital y en ausencia de aportaciones de capital por parte de los socios, las cooperativas se ven presionadas a endeudarse más, desmutualizarse o vender a empresas propiedad de inversores. En particular, la desmutualización altera la estructura de capital y los derechos de control de los socios. El tercer principio cooperativo de Participación Económica de los Socios exige que los socios sean los únicos contribuyentes y controladores democráticos del capital de una cooperativa. Las cooperativas en Kenia han adoptado el modelo híbrido de desmutualización que logra un equilibrio entre los aspectos de recaudación de capital de los no asociados y la preservación de su identidad cooperativa. Esto tiene una implicancia en el desempeño de la empresa y en la estructura de la organización. Una pregunta que surge es si la estructura de propiedad cooperativa es un determinante concluyente del desempeño financiero. Por lo tanto, establecemos la influencia de la desmutualización en la relación entre el control de los socios y el rendimiento financiero. Utilizando el diseño de series temporales y sección cruzada, analizamos datos de cooperativas holding de Kenia durante un período de 20 años (1998-2017). Nuestros resultados indican que existe una relación negativa y significativa entre el control de los miembros y el rendimiento financiero de las cooperativas en Kenia y que la desmutualización tuvo un efecto negativo y significativo en esta relación. Concluimos que la propiedad de los miembros es un indicador vital de la identidad cooperativa y que la desmutualización amenaza esta posición. Si las necesidades de capital continúan aumentando, los miembros pueden perder el control y, en última instancia, las organizaciones pueden dejar de ser cooperativas en términos operativos. Las recomendaciones incluyen la creación de planes de crédito y fondos rotatorios accesibles al sector cooperativo para ayudar a las cooperativas que experimentan dificultades financieras o que buscan expandirse.

Palabras clave: desmutualización, control de los miembros, rendimiento financiero, capital cooperativo, Kenia.

1. Introduction

The 20th century has witnessed technological development, globalization, and changes in consumer behaviour. This resulted in co-operatives shifting from production-based to market-led strategies which tend to be capital-intensive (Bekkum and Bijman, 2006). Co-operatives face increased challenges in terms of survival and growth, specifically, concerning financial management issues such as how to acquire and redeem the equity capital of members. The two have been identified as the main factors constraining the sustainability and growth of co-operative enterprises (Staatz, 1987; Cook, 1995). There are three key characteristics of a co-operative: user-owned, user control and user benefit (Barton, 1989). Therefore, the conventional ownership of a co-operative is based on user transactions and not capital investment. Exercising control is based on membership applying the one member one vote practice regardless of their shareholding in the co-operative and sometimes it may be a restricted model of proportional voting (Bekkum and Bijman, 2006). To adapt to competitive pressures and improve financial performance, co-operatives modify their conventional finance principle of member economic participation (Cook and Chaddad, 2004). This principle states that members should democratically control and contribute equitably to a co-operative's capital, and a portion of the capital contributed should be common co-operative property (ICA, 1995). The degree by which co-operatives modify this identity principle has an impact on the financial structure moving from the collective to the more individual-like structure exhibited by investor-owned firms (Kalogeras et al., 2007; Benos et al., 2009). Conflicts of interest also emerge when members shift from common user interest to hidden or open non-entrepreneurial personal benefits (Bekkum and Bijman, 2006).

Demutualization involves a change in the ownership structure of user-owned and user-controlled organizations from a co-operative mutual status to a for-profit, proprietary organization (Chaddad and Cook, 2007). It separates the member ownership and control rights so that the co-operative nature would disappear (Woodford, 2008). Locally in Kenya, the demutualization process of second level of co-operatives into a non-cooperative subsidiary form was stimulated by the unsuitability of legal framework where certain co-operatives have operated on dual-registration regimes as both co-operatives and companies. While this practice served its purpose operationally, it ended up causing regulatory challenges and infringed on members' rights of participating in decision-making. Whereas some co-operatives have already demutualized (Ministry of Industry, Trade and Co-operatives, 2017), some other co-operatives have adopted the hybrid model which incorporates the capital raising aspect of investor-owned firms while preserving the cooperative identity by dividing them into two organisational structures, namely, non-cooperative subsidiary and co-operative holding composed of co-operatives. These organizational structures allow to combine for-profit with non-profit organizational features, resulting in a state of continuous duality, conflict of goals and values as hybrid organizations (Battilana and Schroter, 2012).

We delve into this dilemma by examining how the demutualization of second level co-operatives into a non-co-operative subsidiary form affects the relationship between member control and financial performance in the context of Kenyan co-operatives. In particular, we seek to, first of all, determine whether a relationship exists between member control and financial performance of co-operatives in Kenya, and secondly to provide key insights into the influence of demutualization on this relationship.

Therefore, this study aims to ask following questions: can co-operatives retain their identity in the process of repositioning themselves in the presence of growing market demands? Secondly, should co-operative solutions be sought to avoid demutualization or is it an inevitable change?

2. Literature review

The influence of demutualization on member control and financial performance of co-operatives has led to significant research attention on the various motivations and outcomes of these phenomena and what it means concerning the co-operative identity. Miner and Novkovic (2013) in their study state that due to a changing environment, co-operatives engaged in a spin-off model focus on mergers and organic growth which necessitate capital-intensive growth strategies. Large co-operatives went beyond the traditional member capitalization restrictions and tried to gain access to capital markets by using non-co-operative capitalization methods which sometimes led to demutualization. Consequentially, a danger of capital having undue influence over co-operative decisions is posed. Marinakos, Daskalaki and Ntrinias (2014) in a study based on Greek pharmaceutical co-operatives examined how change has been unfolded. Their findings revealed that the gradual changes in the co-operative sector were rather inevitable.

Boland and Cook (2013) described the evolution of control and ownership dynamics of Glanbia based in Ireland. Members declined to finance their portion of a project and voted to reduce their shares in their public listed subsidiary company from 51% to 41%, leaving them as minority shareholders. They further reduced majority decision-making vote from 75% to 66.66%. This resulted in tension as there was no proportional

balance between residual claimant rights and de facto control. Chaddad and Cook (2000) examined a balancing problem between fund mobilization and preservation of member control of dairy co-operatives in Australia. The study developed an equilibrium model that had two steps. The creation of a fully member-owned supply co-operative with every share valued at one Australian dollar, which was non-tradable, was the first stage. The second simultaneous stage established a trading non-co-operative subsidiary. The ownership of subsidiary was adjusted to 75% control of the first co-operative and 25% to be sold to non-co-operative shareholders.

Nilsson and Lind (2015) gave a theoretical explanation of the demutualization of Swedish Meats Co-operative. Findings showed that unclearly defined property rights made it difficult to improve the financial performance and profitability of the organization. Persistent low profitability due to poor member governance led to the final exit of members. These study findings showed a case where ineffective member decision had a negative influence on financial performance.

Nadeau and Nilsestuen (2004) examined the motivations of demutualization across various co-operative sectors in the USA. Conclusions were that member benefit was in the short term, and in real terms, members lost control over their co-operative. Demutualization was witnessed mostly in the co-operative insurance sector, while electricity and communication co-operatives were most resistant to demutualization because their by-laws provided that delicate decisions such as demutualization could only be passed in high quorum general meetings.

Gijssels and Develtere (2008) examine the co-operative trilemma resulting from the state, the civil society and market pressures. They examined The Co-operative

Group based in the United Kingdom, Rabobank based in the Netherlands, Le Crédit Coopératif based in France, Group ARCO and Cera based in Belgium. These organizations underwent major transformations in light of difficulties in the financial-economic market (Gijssels, Develtere and Raymaekers 2007). The organizations did not demutualize and nor did they depart from their co-operative values, principles and strategies while pressures from the market for demutualization intensified. The study showed that demutualization is not the only viable option to pressures co-operatives face; other successful alternatives can be sought.

3. Historical context of two demutualization cases in Kenya

3.1 The Co-operative Bank of Kenya

The Co-operative Bank of Kenya started off as a cooperative society when the bank was founded in 1966. In 1968, the banking license was issued. All Kenyan cooperative enterprises were ordered by the government to transfer their funds to the Co-operative Bank of Kenya and to purchase stock in the bank. Cooperative Finance Limited was the bank's first subsidiary, which it established in 1977. The bank evolved into a full-fledged commercial bank, providing the whole spectrum of financial services to individuals, businesses, and institutions which were outside of their co-operative sector niche. By generating a profit before tax of Ksh 2.3 billion in 2007 as opposed to a loss of Ksh 2.4 billion in 2000, the bank completely turned its situation around. The bank also announced a Ksh 8.00 per share that is 8% in terms of dividend which is the highest distribution in a long period of time. The bank went public on the Nairobi Stock Exchange in December of 2008. A public offering of 701.3 million shares at Kshs

9.50 that received an 81% subscription led to the listing, which raised an extra Kshs 5.4 billion on top of the Kshs 7.4 billion already in the bank. This was made possible since the bank's extraordinary general meeting, convened on June 27, approved the change of the bank from the co-operative society which was its original status from its founding in 1966 to a limited liability company. Under the Co-op Holdings Co-operative Society Limited, all prior shares owned by the Co-operatives were brought together. This co-operative society then took up the role of the bank's strategic investor with a controlling 65% interest. The bank received the Financial Times of London's Best Bank in Kenya title in 2011 for the second consecutive year. The bank was named the Most Green Bank in 2013 at the Energy Management Awards for providing funding for energy efficiency and renewable energy projects to Large, medium sized and Small Businesses with quickest turnaround times.

3.2 Co-operative Insurance Company

The Co-operative Insurance Company was first established in 1968 as a division of the Kenya National Federation of Co-operatives. In 1978, the division obtained registration and authorization as Co-operative Insurance Services Limited, a composite insurance company with a focus on the cooperative movement and the ability to write all classes of business. The Co-operative Insurance Company of Kenya Limited (CIC) became the name of the insurer in 1999, and in 2010 it became CIC Insurance Group Limited. This modification was made in advance of the de-merger of its general business operations and life insurance. In July 2012, the Group made its NSE (Nairobi Securities Exchange) debut. The Co-operative Insurance Society Limited, which became the holding co-operative and parent organization of the insurer with a controlling 74.3% ownership,

combining all previous shares owned by the co-operatives sector. It became the sixth insurance company to list on the NSE as a result. In 2013, they started their regional expansion by moving into Southern Sudan. The insurer received the best Group Life Company of the Year award in 2017 for the second consecutive year.

4. Methods

We applied time-series cross-section research design. Our population is comprised of the two existing demutualized non-co-operative subsidiaries, Co-operative Bank of Kenya Ltd and Co-operative Insurance Company Ltd which are owned by Co-op Holding Co-operative Society Ltd and Cooperative Insurance Society Ltd (CIS) respectively. Data for Co-operative bank was available for 19 years from 1999 to 2017 and for Co-operative Insurance Company from 2007 to 2017 thus 11 years. Available data was adequate to cover more than 5 year's pre and post demutualization for both organizations.

The relationship between member control and financial performance was modelled as follows:

Consequently, the influence of demutualization on this relationship was modelled as

$$y_{it} = \beta_0 + \beta_1 X_{1,it} \varepsilon \dots \dots \dots (1)$$

follows:

$$y_{it} = \beta_0 + \beta_1 X_{1,it} + \alpha_2 D_{2i} + \varepsilon \dots \dots \dots (2)$$

Where:

Y_{it} = financial performance of co-operative organization "i" at time "t" that was measured by Return on Equity (ROE). = Constant term. = Coefficient for member control. = Coefficient for dummy variable. = Dummy variable which is Demutualization. Assuming two firms in should take 1 for periods after demutualization and 0 for periods before demutualization. = Member control was measured in terms proportion of co-operative member equity in the demutualized non-co-operative subsidiaries "i" at time "t". A random error term and takes care of other factors that affect financial performance which are not defined in the model.

5. Findings

5.1 Descriptive

Descriptive statistics showed that the mean financial performance (ROE) was 71.77 percent indicating that the co-operatives were doing well in relation to surplus. However their standard deviation of 83.48 percent was quite high meaning profit-making capability was divergent from each other over the years. ROE varied from -23.67 to 259.3 percent indicating over the years the co-operatives managed to conquer their financial difficulties to become sustainable and quite profitable. The average member equity (ME) was 81.82 percent with a standard deviation of 16.43 percent. The maximum and minimum values were 100 percent and 64.56 percent respectively indicating a high level of member control which could be attributed to the high shareholding proportions. The ideal co-operative situation is where member equity is 100% such that members contribute wholly to the total share capital and have complete control of their co-operative. Although co-operatives in the Holding societies keep their identity as a co-operative, demutualization of the second level co-operatives into a non-co-operative subsidiary form alters the capital structure allowing for non-member equity reducing member control.

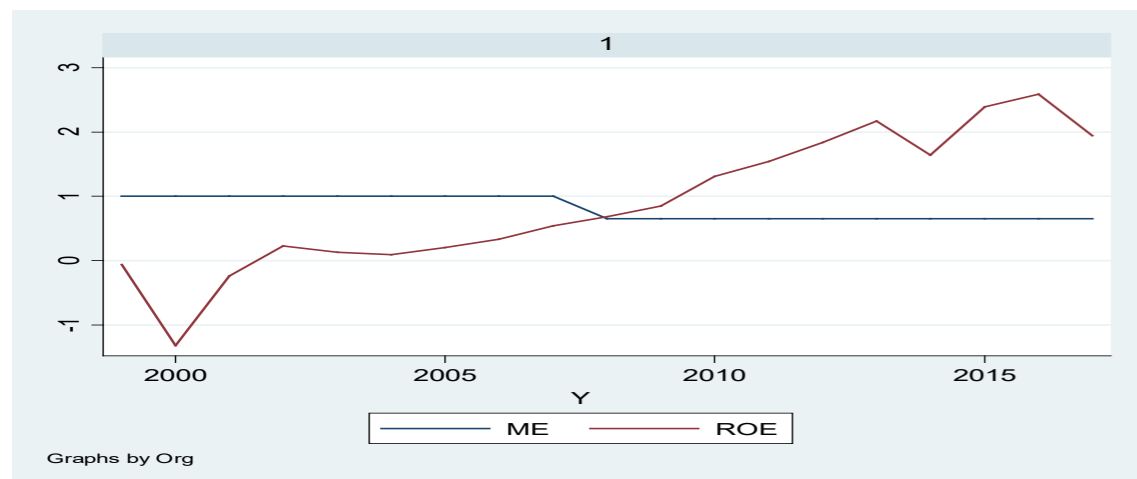


Figure 1. Co-operative Bank of Kenya comparative line graphs for Member Control and Financial Performance

The demutualization of the Co-operative Bank of Kenya in 2008 allowed non-co-operatives shareholders to have shares and resulted in reducing member control from 100% shareholding to 64.56% which still guarantee the majority power of co-operatives through the Co-op Holding Co-operative Society Ltd. However financial performance has been improving all along.

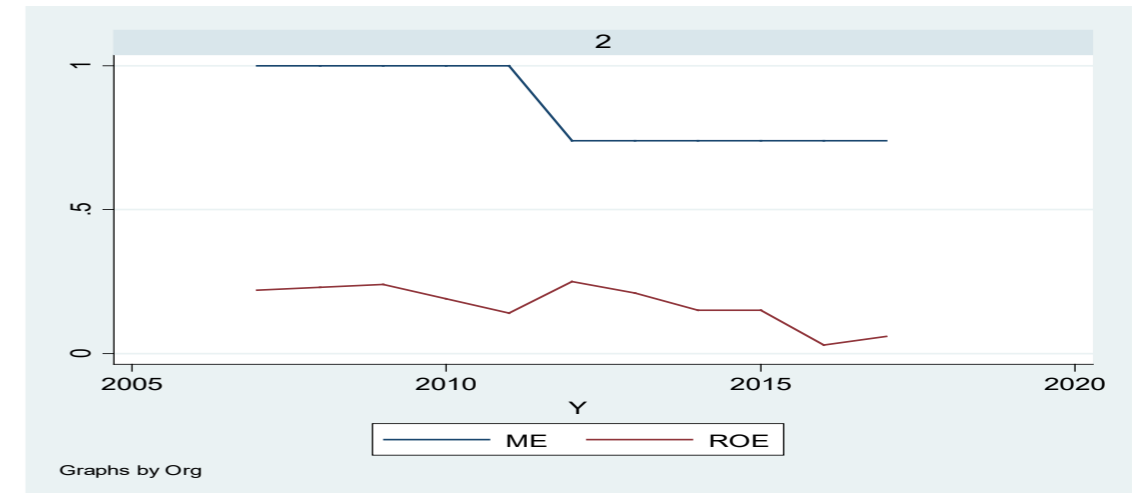


Figure 2. CIC Group comparative line graphs for Member Control and Financial Performance.

In the same way, the demutualization of Co-operative Insurance Company into a non-co-operative subsidiary form in 2012 reduced co-operatives' share from 100% shareholding to 74.10%. However, differently from the Co-operative Bank of Kenya, financial performance declined post demutualization.

A structural break test in the year of demutualization with a null hypothesis that there was no structural break was conducted. Study findings of the chow test had an F statistic of 6.47 which had p value of 0.0194 which was less than 5 percent significance level. Thus, the study rejected the null hypothesis concluding that a structural break existed in the respective periods when demutualization happened for both non-co-operative subsidiaries as there was adequate evidence to buttress this argument.

5.2 The Relationship between Member Control and Financial Performance

We first conducted the Hausman test to determine the appropriate model to interpret. The null hypothesis was that random effects was the preferred model. Findings indicated a chi2 statistic of 3.41 with 0.3322 as the p value which was more than 5% significance level, thus the study did not reject the null hypothesis concluding that the random effects model was more appropriate

Table 1 presents the results of the random effects model used to establish relationship between member control and financial performance.

Table 1. Relationship between Member Control and Financial Performance

Dependent variable		ROE
Explanatory Variable		Coefficient
ME		-3.535***
Constant		3.610***
Post Estimation Diagnostics		
R square	Within	0.5035
	Between	1.0000
	Overall	0.4842
	Rho	0
Wald chi2 (3)		24.41***
sigma_e		0.5152
*** p<0.01, ** p<0.05, * p<0.1		

Functional model:

$$ROE_{it} = 3.610 - 3.535ME + 0.5152$$

The random effects model run of the relationship between member control (ME) and financial performance (ROE) shows a negative significant relationship of -3.535 with 0.000 p value. This indicated that there was a negative and significant relationship between the two variables. The autonomous financial performance was 3.610 with a p-value of 0.000. We can infer that as the financial performance continues to improve independently, members would continue to lose more control over their co-operative. Wald statistic of 24.41 is greater than the critical value of five percent level of significance. Therefore, member control was significant in explaining the variations in return on equity in the random effects' specification. The interclass correlation (rho) was 0 percent implying that 0 percent of the variations in return in equity was due to differences across the demutualized non-co-operative subsidiaries. The within and between R-square is 50.35 percent and 100 percent respectively. Thus, 50.35 percent of variations in the return on equity was due to differences within individual non-co-operative subsidiaries and 100 percent of the variations were due to differences between the non-co-operative subsidiaries. The overall R² is 48.42 percent, indicating that the variables considered account for about 48.42 percent change in the dependent variable, while about 51.58 percent change may be as a result of other variables not addressed by this model.

3 In this study, demutualization is measured as an event, while member control is measured in terms of voting rights that are tied to the shareholding proportions. Although the demutualization involves listing in the stock exchange, it does not mean always that the proportion of members' shareholding is the same as their voting rights, as shows a case of Glanbia co-operative where members have 41% in terms of shareholding and a voting power of 66%. These two Kenyan shows a proportion balance between the members' shareholding and their voting power: currently, Co-op holdings Co-operative Society Limited has a shareholding and voting power of 65% in the Co-operative Bank and Co-operative insurance society has 74,3% in Co-operative Insurance Company.

Secondly, we analyzed the influence of demutualization on this relationship:

Table 2. Influence of Demutualization on the relationship between Member Control and Financial Performance

Dependent variable		ROE
Explanatory Variable		Coefficient
ME		-16.08***
FirmDummy		-4.193***
Constant		16.27***
Post Estimation Diagnostics		
R square	Within	0.7080
	Between	1.0000
	Overall	0.7926
	Rho	0
Wald chi2 (3)		95.55***
sigma_e		0.4032
*** p<0.01, ** p<0.05, * p<0.1		

Functional model:

$$ROE_{it} = 16.27 - 16.08ME - 4.193D + 0.4032$$

Table 2 shows that demutualization has a coefficient of -4.193 with a p-value of 0.000 which is less than 0.05. Therefore, the null hypothesis that demutualization had no significant effect on member control and financial performance was rejected and concluded that demutualization had a negative and significant effect on this relationship. Wald statistic of 95.55 is greater than the critical value at five per level of significance. Therefore, the member control and demutualization³ were significant in explaining the variations in return on equity in the random effects' specification. The interclass correlation (rho) was 0 percent implying that 0 percent of the variations in return in equity was due to differences across the non-co-operative subsidiaries. The within and between R-square is 70.80 percent and 100 percent respectively. Thus, 70.80 percent of variations in the return on equity was due to differences within individual non-co-operative subsidiaries and 100 percent of the variations were due to differences between the non-co-operative subsidiaries. The overall R² is 79.26 percent, indicating that the variables considered in the model account for about 79.26 percent change in the dependent variable, while about 20.74 percent change may be as a result of other variables not addressed by this model. It is worth noting the inclusion of demutualization in the model raises significantly the percentage by which the member control accounts for the change in financial performance (by 30.84%) and we can confidently peg improved financial performance to demutualization and a reduction in member control. But what does this mean in relation to the co-operative identity of the organizations?

We conducted the Mann Whitney U test as a robustness test. The null hypothesis was that pre and post demutualization member control were equal. For the Co-operative Bank Results, the z statistic was 4.000 with 0.0001 as p value which was less than 0.05 significance level therefore the study rejected the null hypothesis. The alternative hypothesis that pre-demutualization member control was stronger than post demutualization was tested and found to be true as the p value was 100% which was greater than the significance level of 95%. Similar results were obtained for Co-operative Insurance Company, the z statistic was 2.955 with 0.0031 as the p value which less than 0.05 significance therefore the null hypothesis was rejected. The alternative hypothesis that pre-demutualization member control was stronger than post demutualization was tested and found to be true as it had a p value of 100% which was greater than 95% level of significance.

6. Discussions & conclusions

6.1 Discussions

We can infer that demutualization has a negative and significant influence on member control and financial performance of co-operatives in Kenya. Our in-situ findings were consistent with the findings of Miner and Novkovic (2013) who found that large co-operatives tend to go beyond the traditional member capitalization restrictions and they demutualize to gain access to capital markets, leading to the danger of capital negatively affecting member decision-making power. Woodford (2008) found that demutualization separated ownership and control rights of the co-operative while financial performance improved. Boland and Cook (2013) observed that demutualization brought about unproportional balance between residual claimant rights and de facto control. These studies show that demutualization led to situations where members got accustomed to relinquishing their control in the co-operative to improve financial performance. Therefore, the authenticity of the co-operative nature of such organizations can be brought into question.

However, the alteration of capital structure that results from demutualization can be avoided. Co-operative solutions that attempt to ensure member control can and should be considered. Nadeau and Nilsestuen (2004) found that the co-operative insurance sector was more susceptible to demutualization while the electricity and communication co-operatives were the most resistant to demutualization. This resistance was because their by-laws provided that delicate decisions such as demutualization could only be passed in high quorum general meetings. We can derive from this that a high democratic life of co-operative organizations can be a deterrent to demutualization. Moreover, Gijssels and Develtere (2008) cite five big co-operatives organizations that did not demutualize nor depart from their co-operative values, principles and strategies while pressures for demutualization intensified.

In our study, we could observe that the Kenyan cooperative movement managed to withstand market pressures because they managed to find non-conflicting answers to conflicting pressures and demutualization. Two Kenyan cases show that the demutualization of second-level co-operatives into a non-co-operative subsidiary form might be one of the solutions to improve the economic performance while keeping primary cooperatives' control with a sufficient level of ownership through holding co-operatives. Of course, to avoid full demutualization, namely, the situation where primary cooperatives' share would be a minority compared to other non-co-operative

shareholders, additional institutional tools and strong leadership of cooperative movement will be needed.

6.2 Conclusions and recommendations

Member ownership and control are major indicators of the co-operative identity. If capital pressure is applied and members lose this control, the organizations cease to be co-operatives in terms of operations. Adequate and available capital can be one of the ways to avoid such circumstances.

We should not exclude demutualization as a means to adopting to competitive pressure for cooperatives. However, we do not claim that demutualization should be the only viable option but propose that a balance should be pursued. We propose co-operative regeneration and remodelling where the new model can carry traces of the past including its identity but also reposition itself to serve the market, state and civil society demands. This can be done by co-operatives changing their modus operandi. The sample size of the study cannot be generalized for Kenya but rather shows a picture of a sample area. The findings of this study which is based on secondary data could be complemented by further studies with the inclusion of primary data. Being a novel study in Kenya, future avenues of the study are to investigate the same study in other co-operatives and SACCOs in Kenya that have demutualized through opening their common bond to the general public who may not share the same ideologies or characteristics with the original members.

We recommend creation of credit schemes and revolving funds accessible to the co-operative sector to assist co-operatives that are experiencing financial difficulty or looking into expansion. Co-operatives should also access co-operative capital within the financial capital in an organized and disciplined way since having a constant source of co-operative capital can help avoiding demutualization. The development of appropriate legal and regulatory frameworks to facilitate inter-borrowing between and among cooperative enterprises is also recommended. Specific regulations should be put in place where decisions that may alter the organization structure and co-operative nature of the co-operative enterprises should be passed only in high quorum meetings. The members should have been adequately provided with documentation showing the probable outcomes of the proposed changes at least 3 months before such a meeting is called. We also recommend the apex body for co-operatives in Kenya, the Co-operative Alliance of Kenya should be strengthened through specific mandatory regulatory financial contributions from the whole co-operative movement. This will help the organization improve its coordination and, most importantly, the 'Sustainable Co-operatives' image. A good co-operative image can pre-empt member stereotype that the co-operative business model is lacking or unsustainable.

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