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Mitch Diamantopoulos, Fiona Duguid, Isobel M. Findlay, Judith Harris, Costas Iliopoulos, Roger Spear and M. Derya Tarhan

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Bridging Divides: Promoting Economic, Social, and Cultural Democracy

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Judith Harris has degrees in Economics (BA, MSc.) and Urban and Regional Planning (PhD). Her work, focused on participatory community and regional development, has taken her to villages in northern Manitoba, Holman Island, Indonesia, Tanzania and Ethiopia (with CIDA and FINIDA). Judith has been active in community development in urban and rural Ontario and Manitoba and in international contexts for 30 years. She has expertise in community engagement and community planning and has helped to establish a number of projects including the Spence Skills Bank, Frontstep Research Workers' Co-op, the Village Co-op in Winnipeg's north end, the Langside Learning Garden, and the Little Stars Playhouse, a child care centre. In 2021 Judith retired from her position as Associate Professor in Urban and Inner-City Studies at the University of Winnipeg. She currently teaches and manages research for the Walls to Bridges Program. Judith and staff at Stony Mountain prison hope to soon establish an Art and Writing collective at the prison. Dr. Harris has published in the Journal of Co-op Studies, the Review of International Co-operation, the Annual Review of Interdisciplinary Justice Research and Engaged Scholar Journal.

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Mary Nirlungayuk is the Corporate Secretary and Vice President, Corporate Services with Arctic Co-operatives Ltd. As the Corporate Secretary, she oversees the democratic structure and activities of Arctic Co-ops and the Board of Directors. She also co-ordinates the ACL/ACDF Annual Meeting and manages the services provided by the departments of Office Services, Travel, and Communications. Ms. Nirlungayuk represents the interests of Arctic Co-operatives and the Member Co-ops in the Arctic at Co-operatives and Mutuals Canada, Federated Co-operatives, and Manitoba Co-operative Association. Mary has over 20 years' experience in Indigenous governance and has presented around the world on Indigenous topics related to Co-operatives and governance. Mary resides in Winnipeg, Manitoba, and is a vital resource for information and insight on Inuit culture, values and perspectives as a Director of SEED Winnipeg.

Roger Spear is Emeritus Professor of Social Entrepreneurship, Open University, Member Ciriec Scientific Committee, and founder member of EMES research network. He is currently a guest professor in the Centre for Social Entrepreneurship at Roskilde University, contributing to an International Masters in Social Entrepreneurship. Recent research projects include: Map of social enterprises and their eco-systems in Europe; an ESF project: Developing an ecosystem of support for social enterprise; a Policy and Practice study of Cities, the Social Economy and Inclusive Growth (JRF funded).

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Introduction to Special Issue on Bridging Divides: Promoting Economic, Social, and Cultural Democracy of the Review of International Co-operation

Isobel M. Findlay, Fiona Duguid, Mitch Diamantopoulos, Judith Harris, Costas Iliopoulos, Roger Spear and M. Derya Tarhan

Coming together through open membership has been a hallmark of the co-operative movement since its inception. Co-operative enterprises have brought together diverse groups of individuals to meet their economic, social, and cultural needs and aspirations. Diversity in the co-operative movement continues to be one of its key strengths—never more so than in the current COVID-19 context that has amplified inequities in our social, economic, legal, ecological, and other systems. The ability of co-operatives to “Bridge the Divide” between diverse social and cultural groups is what this special issue seeks to explore. Specifically, this special issue will discuss racialized and marginalized communities and their relationship with the co-operative movement. As a response to anti-Black and anti-Indigenous racism, communities have turned to the co-operative movement to overcome challenges and “reclaim community” in a collaborative manner. Co-operatives can be spaces where racialized people from various socio-economic backgrounds come together for a common purpose, bridging their divides and advancing social cohesion and reconciliation.

This Special Issue of the *Review of International Co-operation*, focused on “Bridging Divides: Promoting Economic, Social, and Cultural Democracy,” seeks to bring members of the global co-operative movement together to stimulate and facilitate the discussion on the strength of our diversity. As a movement we must be self-reflective and critical ensuring that marginalized and racialized populations (specifically Black and Indigenous communities and people of colour) are meaningfully engaged in all aspects of co-operative development. We reflect here upon democratizing and decolonizing efforts to bridge divides with co-operative enterprises across national and other differences. This collection of papers demonstrates the potential of enterprise founded on co-operative values and principles so long as we remain vigilant about colonial and neo-colonial incursions. Authors draw on historical and current examples in underlining ongoing opportunities as well as continuing barriers that face the co-operative movement.

This special issue is inspired by and dedicated to Johnston Birchall whose passing in June 2021 has been felt so deeply by co-operators worldwide. His work has taught so many to think beyond the binaries of corporate capitalism, its dominant discourses, media, and education and other systems. He taught us to bridge theory and practice, academic and practitioner worlds, sectoral and other divides (North-South, East-West, for instance), to listen and learn from one another so that people-centred enterprises take their rightful place in rebuilding communities and promoting economic, social, and cultural democracy.

Drawing on data from the Global Census on Co-operatives and literature on the international movement history, Mitch Diamantopoulos's article "Making Sense of the World Co-operative Movement's Regional Disparities" aims to get to the root of co-operation's enormous global development gaps and disparities. It adds importantly to the scholarship in its use of Rogers (1995) diffusion of innovations theory to trace where co-operative ideas and institutions spread or not, unpacking the different trajectories of co-op development in different settings. In particular, it documents how colonialism, international migration, and the pre-eminence of British institutions enabled co-operatives to take root in some areas, but not in others, with profound consequences for the current state of co-operative activity around the world.

The article by Jiang Zhu and Olivera Marjanovic explores the opportunities of platform co-operatives. Platform co-operatives are rapidly emerging as a new type of co-operative enterprises, which are enabled by shared digital platform technology and governed by the co-operative principles. They explore platform co-operatives' aim to distribute the resulting economic, environmental, and social value to their members/co-owners on a more equitable basis.

Paul Anania's article explores the contribution of members' education and training to enhancing good governance in co-operatives. In the co-operatives he looked at in Tanzania, he found empowered members were able to lead transformation of their co-operatives and shape the conduct of leaders and staff and overall adherence to good governance practices in co-operatives; however, this was not without challenges.

We have included an updated English version of Roger Spear's article on hybrid co-operatives (first published in French) where he discusses hybridization trends within social economy organizations and co-operatives. These trends are often the result of neo-liberal, globalization and management influences and may limit the capabilities of co-operatives to fulfil their values and principles.

A stimulating panel on Indigenous Issues occurred at the 2021 Canadian Association for the Study of Co-operation conference held online. Judith Harris has brought this panel to us in a transcript that has been validated by the panel participants Mary Nirlungayuk, Wanda Wuttunee, Louise Champagne, all leading Indigenous figures, and Judith Harris as facilitator. In this panel, they discuss three inspiring questions: What is the role of community? What do inclusivity and economic justice look like? What is indigenous prosperity? To round out the discussion the panelists asked conference participants: What creative solutions for economic reconciliation do you bring to the table? This challenge provides much food for thought.

Isobel Findlay's interview with Sonja Novkovic marking the end of her term as Chair of the International Cooperative Alliance Committee on Cooperative Research ([The Committee on Cooperative Research \(CCR\) | ICA CCR](#)) importantly puts a human face on the research effort, on the ICA think tank efforts on Gender Equality, Cooperative Law, Youth Network, and the International

Cooperative Development Forum. It helps place the contributions within this special issue in the wider context of working researchers' ongoing labour. In particular, it underlines the committee's entwined scholarly community-building and movement-building aims, connecting across diverse geographies to address major socio-economic challenges and issues of identity and representation.

This special edition also includes two book reviews on new books that have been published in the fields of co-operative studies and community economic development. The first book review is provided by Judith Harris. She takes us through *The New Systems Reader: Alternatives to a Failed Economy* published by Routledge in 2021 and edited by

J.G. Speth and K. Courrier. The second book review is *Waking the Asian Pacific Co-operative Potential* by editors Morris Altman, Anthony Jensen, Akira Kurimoto, Robby Tulus, Yashavantha Dongre, Seungkwon Jang and published in June 2020 by Academic Press, Elsevier. Roger Spear provides insight into the importance and timeliness of such a compilation.

This collection of articles and reviews as well as an interview, panel, and tribute has highlighted the broad range of challenges and solutions, issues and realities, forward thinking and reflections on the past. We hope you enjoy this selection of co-operative and co-operative-friendly topics that the authors bring to you regarding Bridging Divides: Promoting Economic, Social, and Cultural Democracy.

Remembering Johnston Birchall

Isobel M. Findlay

The international co-operative community is mourning the loss after an extended period of illness on June 3, 2021, of a scholar, author, social movement activist, and leader in co-operative studies, Johnston Birchall. Whether we met him or not, members of the co-op movement have been impacted by the work of Johnston Birchall who described himself on ResearchGate as having “always been fascinated by the idea of member-owned, as opposed to investor-owned, businesses”:

It seems to me that the co-operative business model is a serious alternative to corporate capitalism. My first two books were on small co-operative stores and co-operative housing. Then I wrote histories of the co-operative movement in Britain and internationally (published also in Japanese and Korean). My recent book, *People-centred Businesses*, is the culmination of this work as it provides a comprehensive analysis of all the main types of consumer and producer owned businesses. With the help of a Leverhulme Fellowship for 2012, I wrote a book on ‘customer-owned banks’, demonstrating that wherever they are sizeable they have stabilized the banking sector and provided a more sustainable economy.

His books - *Building Communities the Co-operative Way* (1988; re-issued, 2014), *Co-op: The People’s Business* (1994), *The International Co-operative Movement* (1997), *People-Centred Businesses: Co-operatives, Mutuals and the Idea of Membership* (2010), and *Finance in an Age of Austerity: The Power of Customer-owned Banks* (2013) - are among his publications that inspired and bridged so many divides within and beyond the co-op movement. They were widely translated for very good reason - striking a chord in so many settings. Never content with one co-op sector or one national setting, he helped us see connections in his efforts to bridge divides (across nations, sectors, histories and geographies).

From agricultural co-ops to financial co-ops, consumer and producer co-ops, from membership to governance, from small to large co-ops, from Italy to Ireland, Kenya to Kent, the Netherlands to New Zealand, Spain, Switzerland, Brazil, Canada, and the US, he enlightened about the pressures on co-operatives, the problematics and the possibilities of the model. That early and long-lasting fascination with the co-operative business model - and the body of work it generated - leaves

us all in his debt. The outpouring of grief in social and traditional media attests to the immense loss felt by those who had followed and learned from his work over the years.

In addition to numerous articles in peer-reviewed journals, he authored or co-authored for such bodies as the United Nations, the International Labour Organization, as well as the International Cooperative Alliance and Co-operatives UK many timely and influential reports that shaped and reshaped thinking in co-op studies. Reports such as *Rediscovering the cooperative advantage: Poverty reduction through self-help* (2003), *Co-operatives and the Millennium Development Goals* (2004), *Resilience of the Co-operative Business Model in Times of Crisis* co-authored with Lou Hammond Ketilson (2009), and *Resilience in a Downturn: The Power of Financial Co-operatives* (2013), *Good governance in minority investor-owned cooperatives* (2013), and *The Governance of Large Co-operative Businesses* (2nd ed, 2017), *Use of statistics on cooperatives in national policy making* (2017) continue to be much cited in the literature as they are studied in co-op courses in universities and colleges around the world.

After studying at Oxford, he spent five years as a housing association manager before completing his PhD at the University of York and going on to join the University of Stirling in 1999. It was there that the ICA 2017 Co-operative Research Conference was hosted in June - appropriately on the theme of Developing Inclusive and Responsible Businesses: Co-operatives in Theory, Policy, and Practice. Johnston was a session leader on the theory in the opening Emerging Scholars Day. At the gala banquet and ceilidh, to which delegates were piped down the hill from Stirling Castle, Johnston was resplendent in his tartan trews!

At the time of his passing, Johnston Birchall was a professor emeritus in the Faculty of



Professor Johnston Birchall

Social Sciences, Stirling University. A jazz lover and story teller, Johnston Birchall had an easy rapport with people and was as generous as he was modest in sharing his insights with audiences large and small. He had a singular ability to make complex ideas accessible and to motivate by his words. He will be sorely missed though his thinking will continue to inspire and motivate us.

So we leave the last word to Johnston Birchall:

Co-operatives are always going to be in the spotlight because they are different. Things may be changing, though. More people are beginning to appreciate the co-operative difference, and to see member-owned businesses as an alternative to investor-ownership. This makes the occasional co-operative failure even harder to bear, because with it go the silent hopes of people who had a suspicion that there might be a better way but who now feel let down. For these reasons, it is imperative that we make sure co-operatives are as well governed as possible, and that we learn by our mistakes (Governance, 2nd ed., 2017, p. 9).

Making Sense of the World Co-operative Movement's Regional Disparities

Mitch Diamantopoulos

Abstract

This paper examines the historical roots of contemporary co-operation's vast global disparities. Comparing *Global Census on Co-operatives* data with literatures on international movement history, this paper uses diffusion of innovations theory to explain the leading positions of Europe, North America, and Oceania. Analysis shows that fractured diffusion channels set early European, Anglo-settler, and colonial co-operation on divergent paths, fostering global mutualism's segregated and uneven development. European origins brought substantial diffusion advantages, as the world movement's 'innovators' and 'early adopters'. Similarly, settler co-operators realized an 'early majority' advantage in North America and Oceania—driven by mass migrations from an industrializing Britain. Conversely, the cases of Africa and Canadian Indigenous communities illustrate colonial era co-operation's role in delaying and denaturing sector development. This analysis thus demonstrates that the predominance of Europeans and the British diaspora in contemporary mutualism largely expresses historically structured advantages in innovation diffusion. Finally, anomaly analysis demonstrates lagging regions' potential to overcome such disadvantages. By focusing on how fractured diffusion channels shaped movement divergence, this account challenges ahistorical, reductive, and Eurocentric conceptions which normalize uneven sector development in co-operative studies. Instead, it situates world co-operation's stratified structure in the comparative perspective of an economic and historical sociology.

Keywords: co-operatives, globalization, poverty, inequality, diffusion of innovations, settler colonialism.

Introduction: Making Sense of Co-operation's Regional Disparities

Co-operators' role in narrowing socio-economic inequalities provides one of the movement's most powerful justifications (Birchall, 2004; Bibby & Shaw, 2005; International Labour Organization, 2002; United Nations, 1995; Wanyama, 2014). Yet co-operative globalization has also yielded a paradox of extreme regional disparities: while over 45% of Europeans belong to a co-operative, membership plunges to less than two percent in the Middle East and North Africa (MENA); Europeans are 65 times more likely than MENA residents to be employed by the sector (United Nations, 2014). To account for the limited diffusion of co-operative ideas and institutions on a world-scale and advance understanding of vast regional disparities, this paper applies Rogers' (1995) diffusion of innovations theory. It outlines the historical role of migration and fractured communication channels in mutualism's uneven world spread.

Of course, the history of co-operation is neither a race nor a competition. Unlike capitalism's proprietorial knowledge ethic, it is a movement based on mutual aid and the cross-border democratization of know-how (Diamantopoulos, 2015). Rather than a zero-sum game, leading regions often inspire and support other regions' development. However, co-operative globalization also hasn't been random. Rather, the movement followed splintered vectors of commerce, imperial expansion, and settlement out of 19th century Europe (Develtere 1996; Hilson, 2017; Rhodes, 2012; Webster, 2019). As mutualist ideas were unevenly channeled across Europe, its colonies, its settler societies, and beyond, a sharply stratified world movement emerged.

The global spread of co-operative innovations was no simple, linear, or

one-way transfer. It is rather a complex, recursive process of social innovation, which both requires developing democratic associations and viable enterprises matched to the local structure of needs and aspirations. While world co-operative history is thus a complex mosaic of entangled influences and traditions, this paper focuses on the deeply fractured development paths that first gave rise to the movement's cleavage between its 'Global North' and lagging regions. In fact, the present-day sector dominance of Europe, North America, and Oceania (United Nations, 2014) reflects these regions' historic head start and socio-cultural advantages in speeding co-operation's adoption.

For example, early European co-operators learned quickly from each other, bound together by an Enlightenment ethos and ties of trade, literacy, the printing press, popular social movements, roads, and shipping. The invention of the telegraph in 1839, the spanning of the English Channel with telegraph cable in 1851, and the advent of steam-powered presses and mass circulation newspapers all strengthened information exchange across the continent. The railroad mania of the 1840s further quickened and intensified the intellectual and cultural unification of mutualism's European heartland. More ideas travelled further, faster, and more frequently to more Europeans, compounding profound 'innovator' and 'early adopter' advantages over late-adopting regions.

By contrast, modern co-operative models would long remain foreign to much of the world. Moreover, European imperialism and settler colonialism played key roles in fracturing early mutualism's diffusion paths and setting the global movement on its uneven course (Develtere, 1996; Rhodes, 2012; Webster et al., 2017). This analysis therefore distinguishes the divergent movement trajectories of European, Anglo-settler, and colonial co-operation.

Although Anglo-settler and colonial co-operation's development paths were both dependent on Europeans' leadership, they were defined by contradictory diffusion logics. On the one hand, the mass migration of British refugees to Anglo-settler societies in the Industrial Revolution's wake lent the co-operators of New Zealand, Australia, Canada, and the United States an 'early majority' advantage relative to the rest of the world. Largely literate and sharing a common language and heritage, many new arrivals were already familiar with co-operative ideas and practices. They simply brought them in tow (Rhodes, 2012). Co-operative adoption was thus accelerated by informational, cultural, and communications advantages that democratically empowered members' voluntary participation.

On the other hand, foreign authorities' monopoly over co-operative expertise and a culture of paternalism tended to deter democratic engagement in the movement's colonial hinterland (Birchall, 2011; Develtere, 1996; Dobbin, 1981; Findlay, 2004). This imposition of the model from 'outside' and 'above' both denatured and delayed mutualism's advance. As Rhodes (2012) argues, the co-operative know-how of dominion movements' white settlers contrasted sharply with government-led initiatives in India under Crown rule. Other diffusion barriers such as literacy, language, and culture further stalled development across the movement periphery. Over the span of many decades, this tripartite structure of European leadership, Anglo-settler society advantage, and the colonized movement periphery's disadvantage yielded a profoundly lop-sided global sector.

Of course, not all co-operative traditions would neatly fit into these historical categories nor would this formative world hierarchy be frozen in time. While polarizing diffusion effects would prove powerful on a world-scale, distinctive traditions would

also blend, adapt, and re-invent mutualist innovations to meet regional needs. Co-operation would be harnessed as a colonial, anti-colonial, and post-colonial development vehicle (Develtere, 1996; Hilson, 2017). This complexity gave rise to an increasingly diverse and polycentric movement over time with important middle-powers emerging in places such as India (Rhodes, 2012); South Korea (Hyungmi, 2017); Japan (Kurimoto, 2017); China (Ip and Chan, 2017); and South America (e.g. Vuotto et al., 2017). Indeed, while sector growth has been largely path-dependent, significant evidence also supports late-adopting regions' potential to leap-frog more advanced movements. The explosion of Indigenous co-operatives in the Canadian North (Findlay, 2014; Hammond Ketilson, 2014; MacPherson, 2007; Tulugak & Murdock, 2007) and the African renaissance (Birchall, 2010; Develtere et al., 2008; Satgar & Williams, 2012) each provide important lessons in decolonizing mutualism and expanding its democratic base.

This analysis thus challenges ahistorical, reductive, and Eurocentric conceptions which normalize uneven sector growth. Against the functionalist view, it situates early mutualism's diverging paths in comparative, historical perspective. Focusing on the dependent, divided, and lop-sided structure of the co-operative world-system, it thus casts light on the movement's under-researched global history (Hilson et al., 2017). In particular, it illustrates how systemic cleavages of European imperialism and settler colonialism structured diverging co-operative traditions. Of course, this limited scope doesn't explain all of world mutualism's varied paths. It nevertheless illuminates the role of an enduring pattern of uneven development in shaping contemporary movement disparities.

The paper also offers a conceptual framework for further research. By better accounting for this historical

evolution, diffusion analysis offers a more comprehensive, proportional, and coherent understanding. It offers stronger conceptual and ethical foundations for reconciliation, remedial action, and progress on shared projects (such as disaster relief, fair trade, financial and technical assistance partnerships, and the Sustainable Development Goals). Clarity on the diversity of co-operative experiences also advances the intercultural understanding necessary to build a more inclusive and expansive world movement.

Theory: Conceptualizing Diffusion Advantages

Diffusion of innovations theory argues that social change follows communications channels, with various factors determining whether, when, and at what rate an innovation might be adopted by a particular population. Typically, the sequential pattern of innovations follows a five-step diffusion pattern defined by a widening circle of adoptive populations: innovators, early adopters, early majority, late majority, and laggards. Diffusion theory has been productively applied to the historic spread of established co-operative movements (e.g. Schneiberg, 2003), emerging sector innovations (e.g. Ashta & Cheney, 2017), and nation-state co-operation (e.g. Diamantopoulos, 2015 & 2020). Here it is used to analyze how fractured diffusion channels contributed to a deeply asymmetrical global movement.

However, innovation adoption is neither a simple nor linear process. For example, Rogers (1995) claims that 'observability' accelerates take-up. Since geographic, linguistic, and cultural proximity all heighten the observability of co-operative enterprise, these factors should facilitate adoption. Observability thus lends some communities a natural head-start in

building their sectors. As early adopters, those regional movements should more readily achieve the critical mass and scale economies necessary for sustained growth. To the extent these gains are observable to other regions, these examples will encourage mutualism's spread.

Conversely, geographic, linguistic, and cultural barriers will therefore slow co-operatives' adoption. Indeed, a central problem for movement expansion is that co-operators frequently circulate in different social networks and flows of information. These 'structural holes' (Burt, 2005) can block the sharing of experience and information across movement divides. As ethno-linguistic communities institutionalize their own movement cultures, scientific literatures, and social projects, their insulation from wider currents may deepen over time. Conceptual gaps between co-operative experiences may increasingly defy simple translation and limit openness to innovations.

For example, Anglo-settler cooperators benefitted from open communication channels to home-country traditions (Rhodes, 2012). Part of their cultural inheritance, the Rochdale formula equipped the British diaspora to bridge established European and emerging settler movements. They had shared a common working class experience in Britain and still 'spoke the same language,' both literally and figuratively. Put more technically, their social and cultural capital endowments as Britons helped them span the structural holes posed by geography to transplant the British model. Indeed, co-operatives were both an opportunity to rebuild community in a new world and reaffirm British values, identity, and leadership.

By contrast, colonial era efforts to impose a foreign model on remote cultures complicated its adoption. Colonial authorities' reluctance to engage in co-operative education further depleted

social capital—thus damaging the trust, information exchange, and mutualist norms so crucial to co-operative action. Moreover, imposing co-operation as part of the colonizer's cultural hegemony devalued the associative knowledge, skills, and democratic dispositions (i.e. 'cultural capital') that might have better empowered members to lead. In sum, diffusion theory suggests that communication and socio-cultural empowerment matter in co-operative development. Mutualism must be effectively communicated through certain channels for people to adopt its models in a given time and place. Small

changes in rates or quality of diffusion may also make big differences in adoption rates and sector scale over time. Diffusion analysis thereby expands the conceptual repertoire of market or policy-focused approaches to co-operative development. It explains communication channels' important role in spreading mutualist ideas and models at different rates in different times and places. It helps us understand, as Gramsci put it in another context, "how these currents are born, how they are diffused and why in the process of diffusion they fracture along certain lines and in certain directions" (1971, p. 327).

Methods: Comparing Diffusion Logics as Ideal Types

Co-operation takes many forms and has travelled many paths since the 19th century launched the epoch of its global expansion. The historical and regional distinctiveness of these varied experiences thus defies sweeping generalizations. Drawing on historical literature and survey data, this analysis therefore instead tests diffusion's significance by comparing three, ideal-typical experiences: European, Anglo-settler, and colonial co-operation.¹ This typology helps methodologically bracket the 'noise' of each context's concrete, historical particulars to instead compare these modes' broader role in both accelerating and delaying movement advance. Examples from historical literature illustrate varied structural properties and tendencies that most distinguish these movement formations.

As the historical analysis below illustrates, mutualist alternatives were largely carried out of Europe on the high tides of trade, imperial power, and the massive British migration that followed the Industrial Revolution. Contrasting ideal-typical experiences thus highlights the logic and effect of these fractured diffusion channels. It demonstrates that comparative communication advantages accrued to Europeans and British settler societies (Table 1). Of course, the cases thus addressed omit much of the world's historical experience (e.g. India and Asia, Latin America and the Caribbean, and the Middle East). Nevertheless, these ideal types illustrate how contradictory development logics have since entrenched the dominance of the European-North American-Oceanic bloc as world mutualism's 'Global North'.

1. Max Weber's (2019) 'ideal type' is an analytical construct that abstracts defining elements of a social phenomenon to provide a standard of comparison .

Order of adoption	Ideal type	Regions
Innovators & early adopters	European	Europe (incl. Britain & Ireland)
Early majority	Anglo-settler co-operation	e.g. New Zealand, Australia, U.S., & Canada
Late majority and laggards	Colonial co-operation	e.g. Africa & the Canadian North

Table 1. Applying diffusion theory's analytical constructs to historical modes of co-operative diffusion

To ground this analysis empirically, this paper draws data from the United Nations (2014) *Global Census of Co-operatives*. The first and most recently completed global survey, it estimates the distribution of membership, employment, and revenues from 145 countries. It portrays a profoundly unequal movement.² A brief overview below describes the scope, scale, and structure of global development gaps. Comparative literature from the European, Canadian, and African contexts are next consulted to explain how these gaps emerged.

Quantitative Analysis: Measuring Co-operation's Global Development Gaps

Quantitative measures alone can't explain different development trajectories. However, key indices suggest enduring historical advantage for a mutualist 'first world' or 'Global North'³ across three key measures of sector growth: membership, jobs, and revenues.

The Global Membership Gap

As Table 2 shows, the world's average membership per hundred residents is about 16. Europe, North America, and Oceania each rank well above double this global benchmark, scoring about 46, 39, and 38 members per hundred respectively. The closest region outside this leading bloc is the Caribbean at 13 members per hundred. While Europe clearly dominates, the Anglo-settler traditions of New Zealand, Australia, Canada, and the U.S. largely comprise the world's second tier—with almost triple the next tier's membership penetration.

2. Not only are data now somewhat dated, but many countries lacked reliable and comparable data during this collection period. The Census thus built on shaky statistical foundations. The International Labour Organization (ILO) and the Committee for the Promotion and Advancement of Co-operatives (COPAC) have recently developed new guidelines and a common methodology for national profiles being developed through the International Cooperative Alliance's four regions. However, while this work is ongoing, the Census reveals broad patterns and offers important insights as the most comprehensive database on co-operatives ever produced and an important benchmark.

3. Oceania includes much less developed economies such as Vanuatu and Tuvalu and mid-sized economies such as Fiji and Tonga. However, New Zealand and Australia comprise three quarters of the region's population and the bulk of its economic activity. Between them, they accounted for \$1.63 trillion of the region's \$1.67 trillion in GDP (CIA, 2017). Census results for Oceania thus provide an imperfect but reasonable proxy for the performance of the national movements of New Zealand and Australia.

Rank	Region	Co-ops	Membership & clients	Membership as percentage of population
1	Europe	356,380	368,006,463	45.55%
2	North America	31,078	134,725,891	38.63%
3	Oceania	1,988	14,142,814	37.80%
4	Caribbean	1,049	3,583,511	12.94%
5	Asia	1,933,299	484,105,695	12.68%
6	Latin America	42,765	44,179,104	7.81%
7	Africa-Sub Sahara	85,260	18,509,605	2.73%
8	Middle East & North Africa	162,779	4,537,084	1.57%
	WORLD	2,614,598	1,071,790,167	16.31%

Table 2: World region comparisons of co-operative membership, ranked as a percentage of population (U.N. 2014).

The Global Employment Gap

Table 3 illustrates similarly extreme employment disparities. While mutualism hires roughly one out of every 150 Europeans and one of every 200 North Americans, co-ops in the Middle East and North Africa employ only about one in 10,000.

Rank	Region	Employees	Employees as a percentage of population
1	Oceania	460,278	1.23 %
2	Europe	5,248,852	0.65 %
3	North America	1,675,778	0.48 %
4	Caribbean	54,569	0.20 %
5	Latin America	816,122	0.14 %
6	Asia	4,306,521	0.11 %
7	Middle East & North Africa	37,714	0.01 %
8	Africa-Sub Sahara	10,914	0.00 %
	WORLD	12,610,748	0.19 %

Table 3: World region comparisons of co-operative employment, ranked as a percentage of population (United Nations, 2014)

However, Oceania is the world leader in co-operative employment. Employing 1.2% of its regional workforce, it is double Europe's per capita rate, well over double the North American performance, and over six times the global sector average of .19%. This rank importantly suggests Europe's first mover advantages may be overcome with time, providing encouragement to co-operators in lagging regions. Nevertheless, the closest rival to the tri-polar bloc, the Caribbean, is out-performed by a ratio of over two to one by North America, over three to one by Europe, and over six to one by Oceania.

The Global Revenues Gap

Gross revenues provide mutualism's third measure of global disparity. Table 4 compares sector revenues as a percentage of GDP across world regions. European co-operators lead decisively at 7.08%, almost a 65% margin over the global average of 4.3%. North America ranks second (4.12%) but Oceania (3.46%) clusters closer to Asia (3.25%).⁴ By contrast, the rest of the world contributes less than 1% of the global average and less than .5% of European sector revenues. Indeed, for every U.S. dollar generated as a percentage of GDP in Sub-Saharan Africa, European co-operators earn U.S \$88.50.

Rank	Region	Annual gross revenues in US dollars	Gross revenues as a percentage of GDP
1	Europe	1,482,481,568,728	7.08 %
2	North America	744,228,134,380	4.12 %
3	Oceania	59,543,292,416	3.46 %
4	Asia	653,629,184,870	3.25 %
5	Latin America	18,360,221,538	0.33 %
6	Middle East & North Africa	3,619,358,000	0.27 %
7	Caribbean	182,714,007	0.13 %
8	Africa-Sub Sahara	851,640,000	0.08 %
	WORLD	2,962,896,113,938	4.3 %

Table 4: World region comparisons of co-operative revenues, ranked as a percentage of Gross Domestic Product (U.N., 2014).

The Global Leadership Gap

Finally, a weighted scale of Census factors further reinforces the empirical reality of European and Anglo-settler society predominance. Making the case for path dependency, the Census found 9 of the world's top 10 'most co-operative' economies were European. Making the case for emerging movements' ability to leapfrog established leaders, New Zealand topped the list.

The co-operators of European and Anglo-settler societies clearly constitute a leading bloc. Rather than bridging the world's wealth and income disparities, mutualism thus uncomfortably mirrors capitalism's unequal geography of privilege and poverty. To explain these data, a comparative analysis of European, Anglo-settler, and colonial experiences follows. Drawing on historical literature, it illustrates the leading role played by the early movement's fractured diffusion paths.

4. The special case of strong Asian and Pacific Rim revenues requires a separate historical accounting (Birchall, 1997; Cook & Clegg, 2012; Kurimoto, 2017; Hyungmi, 2017; Ip & Chan, 2017; Vaswani, 2012). Like Oceania's exemplary co-op job creation performance, such anomalies also demonstrate the potential, in particular circumstances, for late-blooming movements to close development gaps.

Diffusion of Innovations Analysis: Explaining Co- operation's Development Gaps

Interpretations of the empirical data may vary. However, the overwhelming dominance of the European-North American-Oceanic bloc is obvious. Similarly, on one matter the historical record is crystal clear. While a world of informal co-operative traditions long pre-exist the invention of its modern legal forms (Birchall, 2011; Craig, 1993; Curl, 2009; Mayo, 2018; Settee, 2019) and often shape their adaptation and re-invention (Findlay, 2014; Tulugak & Murdoch, 2007), consumer, worker, housing, credit, agricultural, and social co-operatives were each invented in Europe (Birchall, 1997; Zamagni & Zamagni, 2010). Of course, splintered by linguistic, cultural, and political differences, Europe isn't a homogenous monolith. Nevertheless, geographical proximity, communication channels, and common need transformed Europe into the world's co-operation cradle in the 19th century. Europeans' movement cultures sank deep roots and afforded real diffusion advantages for increasingly dense, expansive, and diversified co-operative activity.

European Origins: The Rochdale Case and 'Innovator' and 'Early Adopter' Advantages

Although Rochdale was far from the first co-op shop (Birchall, 1997) and consumer co-operation was only one of several mutualist innovations to bloom across 19th century Europe, it offers an instructive case in diffusion dynamics. The Rochdale model's invention in 1844 encouraged other English workers—who were geographically closest and shared both language and culture—to adopt their formula earliest. By comparison, those far from Britain struggling to learn about

and assess the model lagged in adopting consumer co-operation.

The workers of a 19th century industrializing Britain frequently occupied dense social networks. Overlapping social movement involvements included Owenism, Chartism, trade unionism, atheism and secularism, and, later, revolutionary socialism (Fairbairn, 1994). These informal communication channels and their movement press organs were important vectors for innovation diffusion. Moreover, the Rochdale Pioneers were other English workers' 'near peers,' sharing a common class anxiety over frequently scarce, tainted, and unaffordable food. This shared experience strengthened the Rochdale narratives' resonance. Building on a deep heritage of co-operative experimentation, the Pioneers' story was readily communicated across English workplaces, crowded tenements, networks of friends and families, and in neighbourhood pubs, markets, churches, and community halls.

George Jacob Holyoake's serialized account of their experiment for *The Daily News* (Holyoake, 1879) proved a key pivot in co-operation's cultural history. In 1857, Holyoake's *Self-help for the people: The history of co-operation in Rochdale* won a wide English language circulation. In an 1861 letter to *The Daily News*, he would later recount, "William Cooper of the Rochdale Pioneers... reported that as many as 260 societies were commenced within two or three years of the publication of part I" (p. 366). Holyoake's work both 'made public' co-operative ideas and 'made publics,' unified by that co-operative ideology to act.

Largely thanks to such press activism, England emerged as consumer co-operation's global epi-centre. By 1856 the Pioneers began wholesaling to smaller shops inspired by their example. In 1863, they spun off a Co-operative Wholesaling Society (CWS). The Scots launched their own wholesale five years later (Webster,

2019). The movement's first national newspaper was printed in 1871 by a workers co-operative associated with *The Manchester Guardian*. *The Co-operative News* debuted as a weekly and continues publishing today as the world's oldest co-operative news source (Archives Hub, 1998). It was followed by the launch of *The Scottish Co-operator* in 1893. By 1900 there were 1,400 societies across the country (Webster, 2019).

By contrast, crossing the English Channel posed linguistic and socio-cultural diffusion barriers. Consumer co-operation nevertheless traversed the continent rapidly. Politically discouraged by the failure of the 1848 revolutions but encouraged to collective economic action by their own co-operative experiments, Europeans soon embraced the Rochdale formula (Birchall, 1997). Newspaper reports and the translation of Holyoake's *Self-Help for the People* into French, Spanish, Italian, German, and Hungarian helped speed its continental diffusion (Brazda et al., 2017; Freire & Pereira, 2017; Hilson, 2017; McCabe, 1922). Geography, cultural proximity, and the radical press all raised observability and hastened the model's diffusion in waves of expanding reach.

Settler Co-operation: The British Diaspora's 'Early Majority' Advantage

If printing presses and trade routes first carried co-operative ideas around the world, European settlement would securely anchor them. The Industrial Revolution's social dislocations drove about ten million Britons to their Empire's colonial outposts and the United States by the end of the 19th century (Rhodes, 2012). These Anglo-dominant settler societies thus comprised world co-operation's 'early majority'. The forced migration of British criminals, the Irish Potato Famine in the 1840s, and the poverty, oppressive working conditions, and housing crisis of Britain's Industrial Revolution all pushed these refugees out of their homelands. Subsidized

passage to relieve the strain on the poor houses, settlement propaganda, selective immigration policies favouring the British, and free land on the frontier all pulled them to the 'New World'. Steam-propelled ships and transcontinental railways accelerated and broadened European settlement.

The communications corridors that connected the British Empire to its settler societies thus opened a 'fast-track' for inter-continental innovation diffusion (Rhodes, 2012). Many of these refugees were already well-versed in consumer co-operation by the mid-19th century. Clearing the editorial path for the Rochdale story was the *New York Tribune's* muckraking publisher, Horace Greeley (Patmore, 2017). He also helped secure mutualism's trans-Atlantic passage by arranging publication of a U.S. edition of *Self-Help for the People* in 1859 (Holyoake, 1900). Cull describes this moment as "the true beginning of the Rochdale co-operative movement in America" (2009, p. 57). He notes the first American co-op modeled on the Rochdale formula was replicated "directly from Holyoake's book" (p. 58). Although it is unclear whether Holyoake's trans-Atlantic trips were conducted on the movement's behalf, he visited North America in 1879 and 1882 (Argyle, 2021).

Anglo-settler societies thus enjoyed clear diffusion advantages over the rest of the world. Indicative of British mutualism's special relationship with its diaspora was a two and a half month trade tour of North America by English wholesale director William E. Bates in 1892 (Webster, 2019). A similar tour by the CWS set its sights on Australia in 1896 (Rhodes, 2012). Another index of 'Old World' influence in North America was the Co-operative Union of Canada's (CUC) formation by British settlers in 1909 (MacPherson, n.d.). Docking from England in 1869, George Keen, joined a group of mostly British immigrants to form a store in Brantford in 1906 (MacPherson, n.d.). Taking Holyoake as his "model and constant inspiration"

(p.14), Keen, another 'organic intellectual' for the co-operative cause, took the CUC helm as general secretary. He edited *The Canadian Co-operator* from its Oct. 1909 launch to the late 1940s. Like Holyoake, he regularly contributed to many journals and newspapers—including regional movement publications such as the *Grain Growers Guide*. He also broadcast a weekly radio program on co-ops from Chicago (Shaffer, 1999). Keen's mission was unabashed: to bring the British tradition of Rochdale co-operation to the Dominion of Canada.

Bonds of settlement, same-language literature, and cultural heritage reinforced European and Anglo-settler movements' accelerated and combined development relative to the rest of the world. Open diffusion channels and cultural proximity thus played a decisive role in the leading co-operative achievements of Europe, North America, and Oceania.

Colonial Co-operation and 'Late Majority' Disadvantages in Africa and the Canadian North

Beyond Britain, Europe, and Anglo-settler societies, many regions were late to adopt co-operative models. Colonial powers—including the British, French, Dutch, and Belgians—used co-operatives as a development tool abroad in the late 19th and early 20th centuries (Develtere, 1996; Rhodes, 2012; Webster, 2019). First charted by the British Empire's trade routes—to Ireland, the rest of Europe, and India—co-operation's course followed in European colonialism's wider wake. The British exported the model to Ceylon, Cyprus, the Caribbean, and Africa. The Belgians introduced it to the Congo and the French relayed it to Algeria, Tunisia, Indo-China, Cameroon, Togo, the Ivory Coast, and Madagascar. The instrumental character of colonial co-operation placed systemic drag on its diffusion, yielding mixed results in Africa. A similar pattern

distorted and postponed movement progress amongst Indigenous Peoples in Canada.

The African Experience: From Colonial Co-operation to Renaissance

In contrast with co-operation's accelerated diffusion to Anglo-settler societies, local Africans encountered ethno-linguistic barriers and the administrative and legal obstacles of colonial rule. This both delayed and denatured co-operative innovation (Birchall, 2011; Rhodes, 2012; Wanyama, et al., 2009). Colonial authorities often ignored or discounted already existing forms of co-operation. These included *naam* groups in Burkina Faso and *nnoboa* groups in Ghana, which organized members to work each other's crops in turn. Similarly, revolving loan funds existed virtually across Africa before the colonial period, including Nigeria's *esusu* groups and Zimbabwe's savings clubs.

Rather than building on and with these endogenous traditions, colonial co-operation adopted the top-down, state-driven approach of the British-India system. Much more wide-ranging powers were given to registrars in European colonies than in Britain. While white settler co-ops were encouraged, efforts by local people were often discouraged or heavily regulated in the name of modernization and an incremental democratization that was perpetually delayed. This colonial legacy distorted and discredited the model (Birchall, 2011).

The situation in southern Africa further tainted co-operation. Instead of applying the British India model to assist the local population's advance, co-operation principally helped white settler farmers (Rhodes, 2012). In its most extreme form, South African apartheid explicitly racialized 'whites only' co-ops in 1948 (Satgar & Williams, 2012). A clear violation of International Cooperative Alliance

values and principles, white Afrikaner nationalism's segregated development path would have enduring consequences after apartheid's formal abolition: a well-established, prosperous, and white-dominated sector co-existed in an uneasy tension with an emerging sector of mostly struggling black co-ops.

In the nationalist period entrenched traditions of state control over African co-ops often continued in new forms. Rather than restoring co-operatives' autonomy, many became dependent on government financing. Some were used to dispense patronage employment, advance political agendas, and organize political constituencies. Birchall thus describes the movement's 20th century performance in developing countries as "disappointing" (2011, p. 180).

The African context was not transformed until the turn of the 21st century, when market liberalization disrupted state interventions. This created an opening for the International Cooperative Alliance, the United Nations, and the International Labour Organization to reassert the importance of autonomy in co-operative legislation, policy, and practice. Reversing systemic barriers to co-operatives' success, a wave of new co-op laws across the continent brought sector 'renaissance' (Develtere et al., 2008). Of course, the rise of neo-liberalism brought its own problems. In South Africa, a lack of enabling support and the embedding of co-operative development in the 'get rich quick' logic of a neo-liberalized Broad Based Black Economic Empowerment discourse often fostered corruption. The stubborn legacies of colonialism, including apartheid, thus often persisted in new forms (Satgar & Williams, 2012). Nevertheless, Birchall argued "the current situation is much more hopeful than it has ever been for co-operative development in the poorer countries of Africa and Asia" (2011, p. 198).

The Indigenous Experience in Canada: From Colonialism to Self-determination

French and British migrants would be amongst the first to transplant European models of co-operation in the territories of modern-day Canada (Bridault & Lafrèniere, 1989; Rhodes, 2012). However, the displaced Indigenous Peoples' earliest encounters with this movement more closely resembled local Africans' experience of delayed and distorting diffusion (Dobbin, 1981).

Certainly, European immigrants brought a 'settler subsidy' of co-operative experience. However, settler colonialism drove Indigenous populations to the margins of segregated societies across North America (Daschuk, 2021). Overwhelmed by millions of Europe's refugees, decimated Indigenous populations were confined to reserves. Children were placed in residential schools as part of a long-range project of cultural and economic assimilation. Since co-operative models were introduced by settlers to meet settlers' needs, and reserves were geographically, linguistically, culturally, and legally separated from Europeans' settlements, Indigenous people were *de facto* excluded from this movement. However, diffusion to Indigenous communities was also delayed by the heavy hand of Confederation capitalism's colonial administration. Far from sharing in the settler subsidy of their mostly European neighbours' mutualist traditions, Indigenous Peoples' traditional practices of co-operative and communal living were suppressed (Settee, 2019).

As Fairbairn (2005) argues, this placed the earliest Prairie co-operators in a curiously contradictory position as both oppressed and oppressors. On the one hand, agrarian settlers were oppressed by a centralized political economy in which they were forced to 'buy dear' from capitalist suppliers and 'sell cheap' to private grain traders. On the other hand,

they were oppressors because their land and way of life had come at the expense of Indigenous Peoples' dispossession.

It would take North America's first socialist government in the Prairie province of Saskatchewan to lend initial support to Indigenous co-operators (Dobbin, 1981). The Co-operative Commonwealth Federation (CCF) helped break the exploitative monopoly of the Hudson's Bay Company and private traders in the North in an important but contradictory development. On the one hand, Fabian state planners felt co-operation could empower Northerners in their struggle to better living conditions. The CCF hired legendary Métis field workers Jim Brady and Malcolm Norris to lay the foundations for co-operation's enduring northern presence in the province. On the other hand, the Fabians' experiment was tainted by state centralism and the paternalistic hand of a residual colonialism. The CCF's reluctance to grant the fledgling co-ops real power or invest in adult education caused chronic frustration. Criticizing this command and control ethos, Brady described early Northern stores as "castor-oil co-ops": "the Natives were being given what the CCF thought was good for them" (as cited in Dobbin, p. 208). This was a trademark paradox for the CCF: they wanted to both do good for Indigenous people (based on what they thought was best) and respect their choices.

By contrast, subsequent successes across Canada's North built squarely on Indigenous aspirations for self-determination. A key development in co-operation's explosion across Québec's North was the 1960 founding of the *Fédération des coopératives du Nouveau Québec* (Girard, 1999; Tulugak and Murdoch, 2007). This was followed by the 1972 launch of Arctic Co-operatives,

spanning the North-West Territories, Nunavut, and the Yukon (Findlay, 2014). After the government, Arctic Co-operatives Ltd. has become the largest employer in the North. Moreover, co-ops in the Arctic pay higher salaries than the Canadian retail sector and provide an average of twelve jobs compared to the 2.6 created by an average Indigenous business (Hammond Ketilson, 2014). In 2015 each federation's sales exceeded CA\$200 million (Innovation, Science and Economic Development Canada, 2015), ranking them amongst Canada's top 25 non-financial co-ops (by revenues). ACL would make the top 500 publicly traded companies in Canada (Findlay, 2014).

Like African co-operation's renaissance, freeing Canada's Indigenous co-operatives from state control unleashed new growth. Scandalous inequities continue to divide Indigenous Peoples from Canadians overall. However, Northern co-operation's success hasn't only curbed their exploitation. It has reaffirmed local leadership, traditional cultural practices, and the economic logic of democratic self-determination (Findlay, 2014). Building from the traditional way of life, the early co-ops were based in arts and craft production, fur harvesting, and fishing. By 2014 most elected officials in Nunavut had held either elected or management positions within their community co-ops (Hammond Ketilson, 2014). Moreover, these initiatives mark an important break with the settler-dominated movement's exclusionary past, opening new prospects for Indigenous communities across Canada. Like mutualism in Africa, the 21st century presents hopeful conditions for a more inclusive and expansive Canadian movement. These subaltern mobilizations illustrate important decolonizing and democratizing counter-tendencies.

Discussion and conclusion: From divergent to convergent paths?

Europe, North America, and Oceania lead the world in sector development (United Nations, 2014). This paper has argued this is not an accidental outcome. Historical comparison reveals that fractured diffusion paths profoundly differentiated the co-operative experiences of Europeans, British settler societies, and the colonized peoples of Africa and Northern Canada into the 21st century. First pooling the early movement's know-how in a social laboratory of 19th century information exchange, Europeans gained a clear head start over the rest of the world.

Second, the massive tide of Industrial Revolution era migration from Britain opened new communication channels and sped European innovations' transfer to Anglo-settler societies. Co-operation was an organic and voluntary expression of the diaspora cultures of the 'New World' (Canada and the United States) and the 'Lands Down Under' (New Zealand and Australia). This shared socio-cultural inheritance ensured these diffusion channels remained open to the British (and indirectly the European) experience. It thus conferred an 'early majority' advantage.

Third, co-operative innovations' relay to local Africans and Indigenous North America were blocked, slowed, and diverted under the restrictive aegis of European imperialism and settler colonialism; and by barriers of literacy, language, and culture. These 'late majority' disadvantages stunted movement advance.

The historical distribution of co-operative membership, employment, and revenues has thus not reflected a level playing field. Moreover, as with the reverse relay of dairy co-operation from America to Europe in the 19th century, Europe's deepening relationship with its settler

societies formed an innovation diffusion loop. This provided mutual reinforcement to the three regional growth poles of a Eurocentric movement rather than co-operation's wider world periphery. The 1895 formation of the International Co-operative Alliance reflected co-operators' earliest felt needs to span the movement's structural holes. The stubborn persistence of mutualism's global development gaps into the 21st century underscores the enduring need for a thoroughgoing co-operative internationalism.

Yet co-operative history's deeply entrenched diffusion lags makes the expansion of Indigenous co-ops in the Canadian North (Findlay, 2014; MacPherson, 2007; Tulugak & Murdoch, 2007), the nascent African renaissance (Birchall, 2011; Develtere et al., 2008), and the landmark achievements of movement outliers such as Japan and South Korea (Hyungmi, 2017; ICA, 2020; Kurimoto, 2017) all the more impressive harbingers of a polycentric world of co-operative innovation diffusion. Against structural determinist interpretations, such anomalies provide important evidence for the catch-up potential of late-blooming movements. In the third decade of the 21st century, Oceania's leading job performance and New Zealand's status as the world's most co-operative economy provide further evidence for movement divides' tentative and contingent character; and for convergent evolution's prospects. While historical diffusion advantages yielded compounding benefits to earlier adopters, changing economic, socio-cultural, and legal-political conditions also continually transform regions' comparative development prospects.

Certainly, contemporary clarity on the historical and economic sociology of co-operation's uneven development matters. As argued, critical reflexivity can provide important support to co-operators' efforts to bridge these gaps. However, unifying theory and practice clearly gains new

urgency in an era when development aid is increasingly targeted—both from outside and within an increasingly cash-strapped movement—by nationalist populism, pandemic recession, and xenophobic backlash. Greater intellectual coherence on movement divides can remedy Eurocentrism, settler society chauvinism, and nationalist isolationism; and debunk and defuse ethno-nationalist misrepresentations that suggest global disparities somehow express deficiencies (and superiorities) of national character. Similarly, critical co-operative studies can dispel fatalistic resignation across the movement's regions—providing a sounder scientific basis for policy, strategy, and partnerships to bridge development gaps that are historically entrenched but also democratically contingent.

Looking forward, there is a need for more reliable, comparable, and up-to-date data. As discussed, this is being addressed by the ILO and COPAC. These findings suggest focusing on the cultural and social movement bases of mutualist action can also lay stronger foundations for the co-

operative project's cultural regeneration and expansion. For example, analyses of Indigenous co-operators' achievements can inform similar, emerging movements elsewhere. Likewise, more English language co-operative studies that look to the Francophone or Spanish-language traditions can bridge structural holes in movement communication networks and break down segregated knowledge silos. Moreover, situating the experiences of other world regions (e.g. Asia, Latin America and the Caribbean, and the Middle East and Northern Africa) within this theoretical framework can both deepen our understanding of mutualism's global development and help de-Westernize co-operative studies. Beyond spotlighting additional poles of co-operative innovation and mutualism's 'middle tier,' such studies would paint a fuller portrait of the movement's diverse, multi-faceted, and unfolding character; and provide stronger research foundations for accelerating its models' transfer—particularly to those regions in greatest need of co-operative solutions now.

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Mapping of Platform Co-operatives' Contribution to Sustainable Development Goals

Jiang Zhu and Olivera Marjanovic

Abstract

Platform co-operatives are rapidly emerging as a new type of co-operative enterprise, which are enabled by shared digital platform technology and governed by the co-operative principles. As such they aim to distribute the resulting economic, environmental, and social value to their members/co-owners on a more equitable basis. This research aims to investigate *How platform co-operatives contribute to the Sustainable Development Goals (SDGs)?* To answer this research question, we built a taxonomy of platform co-operatives, focusing on their value creation mechanisms. The taxonomy was built using open data from the global #PlatformCoop Directory. We then mapped the resulting taxonomy of 91 platform co-operatives to 169 targets and 247 global indicators of the SDGs. The resulting mapping advances our collective understanding of platform cooperatives' current contribution to specific SDGs. It also identifies the current gaps and new opportunities for future contributions to the currently under-represented SDGs.

Keywords: sustainable development goals, platform co-operatives, co-operatives, digital platforms, value creation

Introduction

Sustainable Development Goals (SDGs), set by the United Nations General Assembly in 2015, consist of 17 inter-dependent global goals for a more sustainable future. In order to be achieved by 2030, these goals call for a global partnership from all public and private sectors as well as individuals and their communities (Sustainable Development, 2020). Co-operative enterprises (also known as co-operatives) have been long recognized to play an important role in achievement of SDGs by the SDG 2030 Agenda and 2017 European Consensus on Development (European Commission, 2017; United Nations, n.d.-c). Co-operatives are member-owned and democratically-controlled autonomous enterprises, where people join voluntarily and unite in order to meet their shared economic, social, and cultural needs and

aspirations (ICA, n.d.a). Co-operatives also value democracy, equality, equity, solidarity and social responsibility. In the words of the former UN Secretary-General Ban Ki-moon: “Cooperatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility” (United Nations, n.d.b). Guided by the seven International Cooperative Alliance (ICA) principles, co-operatives are committed to open membership without discrimination, cooperation among co-operatives and concern for sustainable development of community (ICA, n.d.a). Therefore, “sustainability” is considered to be in the DNA of co-operatives, thus guiding how co-operatives conduct their business (BCCM, 2018; ICA, 2013, n.d.b).

In this research we focus on platform co-operatives—a new type of co-operative enterprise enabled by innovative digital platform technology. Platform co-operatives initially emerged less than a decade ago, in response to the misappropriated notion of ‘sharing’ in a so-called sharing economy enabled by the big tech platforms (Scholz & Schneider, 2016). As such, they are considered to be a fairer and more ethical alternative to the so-called ‘platform capitalism’, exemplified by the exploitative investor-owned platform companies (Borkin, 2019; Burnicka & Zygmuntowski, 2019; Graham & Shaw, 2017; Scholz, 2018). Since then they have evolved beyond their platform capitalism counterparts in pursuit of new opportunities. In recent years, platform co-operatives have experienced a very rapid growth across all industry sectors and all over the world (Platform Cooperativism Consortium, n.d.).

It is important to emphasize that platform co-operatives are guided by the co-operative principles. Therefore, their members have shared ownership and democratic control of the enabling digital platform (Scholz & Schneider, 2016). They also share the resulting value on

a more equitable basis. Based on these characteristics, platform cooperatives are well-placed to contribute to various SDGs (Authors, 2020).

However, as the recent interview with the leader of the International Platform Cooperatives Consortium Professor Trebor Scholz confirms, platform co-operatives remain largely unknown in society (Miller, 2020). In spite of their rising social and economic importance, they are yet to attract the attention of a wider community of researchers, including those from the well-established co-operatives studies. We also note the absence of prior research on platform co-operatives’ value creation, in particular the mechanisms through which they create value for their stakeholders, including members, communities, and society at large. While acknowledging different framings of social and other manifestations of value, in this paper we focus on value created in relation to SDGs.

Against this background, in this research we aim to investigate a broad research question: *How do platform co-operatives contribute to SDGs?* In particular, we focus on platform co-operatives’ value creation mechanisms as the means through which platform co-operatives contribute to the targets and indicators of the 17 SDGs. To answer the stated question, we first built a taxonomy of platform co-operatives’ value creation mechanisms. A taxonomy, also known as a typology or a classification system, was built using the real-life examples of platform co-operatives retrieved from the current global #PlatformCoop Directory maintained by Internet of Ownership (n.d.). For clarity and simplicity, we present the scientific method of building the taxonomy based on Nickerson, Varshney, and Muntermann (2013) and the resulting taxonomy, which differentiates platform co-operatives by their distinct value creation mechanisms. The taxonomy was then used to map the main characteristics of 91 platform cooperatives against all

169 targets and 247 global indicators of the SDGs (SDG Indicators, n.d. a). The resulting map provides a high-level overview of the current platform co-operatives' contributions to specific targets and indicators of the SDGs. At the same time, the platform co-operatives taxonomy enables a more granular view of the actual value creation mechanisms, through which these contributions are achieved.

Our research contributes to the emerging research on platform co-operatives and co-operative studies in general, by providing a better understanding of platform co-operatives and their current and potential contributions to SDGs. This in turn opens new opportunities for future research on societal impact of platform co-operatives, including new frameworks for its assessment and reporting. In terms of practical contributions, our research offers new insights to the existing platform co-operatives, as it makes their collective contribution to SDGs more visible and, potentially more recognized by the society, policy makers, and even platform co-operatives themselves.

This paper is organized as follows. In section 2 we present a review of the nascent literature on platform co-operatives, foundations of SDGs, and the prior research that examined contribution of platform co-operatives and co-operatives to SDG. This literature review enabled us to better position our research by confirming the research gap we aim to address. Section 3 gives an overview of our research method, while Section 4 describes the mapping process and its outcomes. Section 5 discusses our research findings informed by the resulting map. Finally, Section 6 concludes the paper by discussing study limitations and future opportunities for research and practice.

Literature Review

Foundation Concepts: Sustainable Development Goals

SDGs evolved from the Millennium Development Goals (MDGs), which focused on the eight global and measurable goals for a more sustainable planet (Sachs, 2012). The MDGs also aimed to promote and raise global awareness, political accountability, and public pressure in tackling global issues related to poverty, healthcare, education, gender equity and environment. To build on the momentum generated by the MDGs, a post-2015 development agenda was raised by the UN General Assembly in 2015, which established a set of 17 interdependent global goals, known as SDGs, to be achieved by year 2030. The total 17 SDGs consist of **169** targets and **247** (or 232 unique) global indicators used to track the progress at a national level (Sustainable Development, 2020). For example, the first SDG goal No Poverty (which can be summarized as "End poverty in all its forms everywhere") has 7 targets, such as: Target 1.1: eradicate extreme poverty, Target 1.2: reduce proportion of people in poverty and Targets 1.4 & 1.5: build resilience of the poor and vulnerable, and ensure their access to basic services (SDG Indicators, n.d.-a). Under each target, there are several related global indicators to track the progress, such as Indicator 1.1.1: international poverty line, Indicator 1.2.1: national poverty line and Indicator 1.4.1: proportion with access to basic services.

Since their inception, there have been numerous research studies related to SDGs across all fields of research, including co-operative studies. Recognising platform co-operatives as a new type of co-operative, in the next subsection we offer a brief review of the literature on co-operatives and SDGs.

Co-operatives and SDGs

According to the International Cooperative Alliance (ICA)'s Statement on the Co-operative Identity, a co-operative is defined as 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, n.d.a). Co-operatives follow the seven ICA principles, which put co-operatives' values into practice. They include "1. *Voluntary and open membership*, 2. *Democratic member control*, 3. *Member economic participation*, 4. *Autonomy and independence*, 5. *Education, training and information*, 6. *Cooperation among co-operatives* and 7. *Concern for community*" (ICA, n.d. a). The very nature of the ICA principles makes cooperatives a natural match for SDGs. In particular SDGs such as poverty reduction, gender equality, decent work, reduce inequality and develop partnerships & cooperation.

Prior research shows that co-operatives indeed contribute to various SDGs and their predecessors MDGs. For instance, Birchall (2012) provided empirical evidence and examples of different types of co-operatives in different countries contributing to the MDGs, in the areas such as poverty reduction, primary healthcare provision, education and training commitment as well as affordable housing. To raise awareness and highlight important contributions of co-operatives to sustainable development, the International Labour Organization (ILO) and ICA published the report *Co-operatives and the Sustainable Development Goals* (Wanyama, 2016). The report recognized co-operatives' contribution to poverty reduction, gender equality, quality education & life-time learning, job creation and income generation. Co-operatives were further recognized in the European Consensus on Development (European Commission, 2017) for their role in promoting sustainable development,

improvement of agricultural productivity & food security, and providing support to the most vulnerable and marginalised people. In a submission to the Australian Government Inquiry into the social and economic value of co-operatives, Business Council of Co-operatives and Mutuals (BCCM) argued that their alignment with the SDGs is in the DNA of co-operatives, as their structure is "designed to deliver sustainable social, economic, cultural and environmental outcomes for members and the community" (BCCM, 2018, p.4).

Sustainability is also recognized as one of the five pillars of the ICA's Blueprint for a Co-operative Decade. For example, the 2019 World Cooperative Monitor report analysed the top 300 co-operatives' contribution to the 8th SDG Decent Work and the related goals SDG 1 No Poverty and SDG 5 Gender Equality and SDG 10 Reduced Inequalities (World Cooperative Monitor, 2019). Similarly, Moxom and Romenteau (2019) recognized not only the theoretical links between co-operative values/principles and SDGs, but also practical contributions made by a number of co-operatives at local, national, and international levels. They highlighted strong cooperation among co-operatives as well as external partnership with other organizations to be instrumental in achieving SDG 17 Partnership for the Goals.

There are also campaigns initiated by co-operatives towards achieving the 2030 SDG Agenda, such as #Coops4dev and #CoopsFor2030. For example, #CoopsFor2030 campaign is led by ICA to educate co-operatives about the SDGs, enable co-operatives to pledge their contribution to certain SDGs and track their progress (ICA, 2017). Since its launch in 2016, 80 co-operatives from 31 countries worldwide have already made 167 pledges towards achieving SDGs (ICA, 2017). These co-operatives come from all global regions and their pledged contributions cover all SDGs. One

example includes the CBH group, one of the largest co-operatives in Australia, who pledged to achieve the SDGs in areas such as renewable energy, responsible production, sustainable reporting and preserving the environment (BCCM, 2018).

We have already observed mapping efforts to show co-operatives' contribution towards SDGs, mostly based on types or industry. For example, BCCM (2018) noted potential contributions of different types of co-operatives (consumer, worker, and producer co-operatives) to set of SDGs, e.g. consumer cooperatives can contribute to SDG 1 No Poverty, SDG 3 Good Health and SDG 12 Responsible Consumption and Production. Moxom and Romenteau (2019) argued that co-operatives can facilitate implementation of certain SDGs such as SDG 1 No Poverty, SDG 8 Decent Work, SDG 12 Responsible Production and Consumption, SDG 16 Peace, Justice & Strong Institutions and SDG 17 Partnerships, depending on involvement at regional, national or international levels. Similarly, ICA (2018) completed a more detailed mapping of key contributions of different types of co-operatives towards all SDGs. These efforts inspired and motivated our research on the new type of co-operatives—platform co-operatives—seeking to understand their contributions to SDGs.

Platform Cooperatives

Platform cooperatives are the new type of digitally-enabled, ICA-compliant co-operatives that give members co-ownership and democratic control of the shared digital platform. Initially platform co-operatives emerged in response to the so-called platform capitalism, which refers to the negative societal or environment effects created by the exploitative, shareholder-owned digital platform companies, such as Uber and Airbnb (Scholz & Schneider, 2016; Srnicek, 2016). Countering platform capitalism, Scholz (2016) coined the term “platform cooperativism” to be

... about economics by other means. It is a nascent but growing political and economic movement that builds a fairer future of work by joining the values of the cooperative movement with internet technologies — apps, platforms, and protocols. Building on the successes of the free software movement, coop members, technologists, unionists, and freelancers create a concrete near-future alternative to the extractive sharing economy that is rooted in democratic ownership. (p.17)

From the initial, mostly isolated, efforts of pioneering practitioners, scholarly activists and entrepreneurs, platform cooperativism has grown into a global movement, led by the International Platform Cooperativism Consortium (Platform Cooperativism Consortium, n.d.). Platform cooperatives are now rising both in numbers and types across many industries, as evidenced by the rapidly growing number of registration in the global #PlatformCoop Directory (Internet of Ownership, n.d.). At the time of writing, there are over 500 registered platform co-operatives worldwide. Notable examples include short-term rental platform Fairbnb, music streaming platform Resonate and medical health data platform co-operative MIDATA. Case studies of different emerging platform co-operatives are also on the rise in both industry reports and academic papers. See, for instance, Grayer (2020); Mòdol (2019); Pazaitis, Kostakis, & Bauwens (2017); Pitts (2019); Ridley-Duff et al. (2018); Stocker & Takara (2019_).

However, research literature on platform co-operatives still remains scarce, limiting our understanding of this important rising type of digital co-operative organization (Fuster & Espelt, 2017; Puranen, 2019). Researchers have also confirmed that platform co-operatives do counter and relieve a myriad of negative societal effects associated with platform capitalism, such as exploitation of digital labour, unfair

distribution of value generated, increased income inequality, opaque algorithmic control and surveillance, discrimination based on gender or race, and potential environmental effects. See, for example, Frenken (2017); Graham & Shaw (2017); Ridley-Duff, Wren, & McCulloch (2018); Saner, Yiu, & Nguyen (2019); Scholz (2018); Zygmuntowski (2018).

The recent introduction of new regulations in the platform economy also inspired new research on platform co-operatives. For example, Gonza and Ellerman (2021) observed that these regulations did not result in the expected increase in the market share of platform co-operatives. They attributed this to the network effect and first-mover advantage of incumbent big tech platform companies.

The still unfolding covid-19 pandemic also prompted researchers to investigate platform co-operatives as a possible solution for the growing social inequalities and mass unemployment. For example, Kwan (2021) highlighted the importance of the platform cooperativism movement in pursuit of social and economic justice during the current pandemic. Develtere and Papoutsi (2021) noted the important role played by platform co-operatives to strengthen workers' rights and facilitate access to social protection, while also recognizing the role of co-operatives in rebuilding and realizing a resilient global society from the Covid-19 Pandemic.

Given that platform co-operatives, like traditional co-operatives, pursue not only economic values but also social and environmental values, we posit that they could be also a natural match for various SDGs. Indeed, ICA has recognized platform co-operatives as a type of co-operatives with the potential to make key contributions to SDG 9 Industry, Innovation and Infrastructure by "innovating in new business forms and democratizing online platforms" (ICA, 2018, p.1). Other researchers, such as Morell et al. (2021) also

observed the lack of digital perspective in current SDGs. These industry and research developments motivate our research to investigate how current platform co-operatives contribute to all SDGs, focusing on their distinct value creation mechanisms.

Research Method

Taxonomy development of platform co-operatives

A taxonomy is a systematic and comprehensive classification system that helps understanding and analysing complex issues in research and business management (Nickerson et al., 2013). In the absence of a commonly accepted taxonomy of platform co-operatives, we proceeded to develop a taxonomy of platform co-operatives, focusing on their distinct value creation mechanisms. Our taxonomy development method followed the scientific taxonomy development method by Nickerson et al. (2013). By combining theoretical foundations and empirical evidence, this well-known and widely-used taxonomy building method develops a taxonomy in an iterative, mutually-shaping way, as depicted in Figure 1.

Nickerson et al.'s (2013) method begins with the so-called *meta-characteristic*, which is the most comprehensive characteristic that is used as a basis for selecting other characteristics and dimensions in the taxonomy. Based on the research question, we have chosen the *meta-characteristic* to be "value creation mechanisms of platform co-operative business models". This *meta-characteristic* in turn forms the basis of choosing other characteristics and dimensions to answer the question – *How do platform co-operatives create value for different types of stakeholders?* The *meta-characteristic* is also selected based on the intended users of the taxonomy, such as researchers, platform

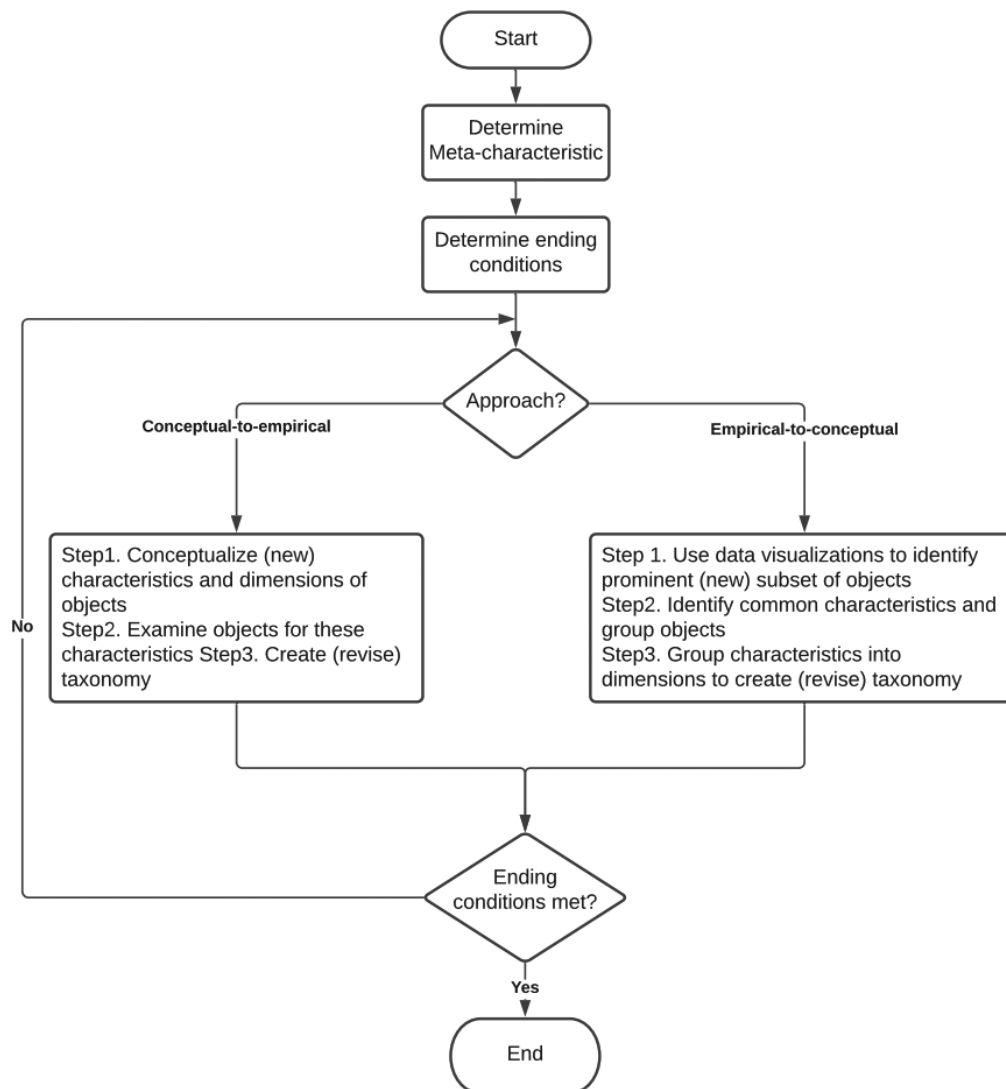


Figure 1: Taxonomy development method (based on Nickerson et al. (2013)'s method, extended with data visualisation)

co-operative community practitioners, social entrepreneurs, government, as well as those interested in understanding how platform cooperatives create value. The data set used for taxonomy building came from #PlatformCoop Directory, which is a global directory of platform co-operatives hosted originally by the Internet of Ownership (now updated and relocated on Platform Cooperativism Consortium). We examined each registered platform co-operative and included only those that are strictly platform co-operatives (i.e. excluding member co-owned/shared platforms and other supportive organizations by filtering the directory) and met the ICA co-operative compliance.

The next step is to determine the ending conditions for each iteration, so that the taxonomy building process could stop when those conditions are met (Nickerson et al., 2013). According to Nickerson et al. (2013), these could be both subjective and objective ending conditions, with the resulting taxonomy being concise, robust, comprehensive, extendible and explanatory. The actual taxonomy building process is iterative, with each iteration following one of two approaches: *conceptual-to-empirical* or *empirical-to-conceptual* (as depicted by Figure 1). The *conceptual-to-empirical* approach requires researchers to conceptualize characteristics or dimensions for the

objects at the beginning, and next modify the taxonomy by examining objects across those dimensions and subjects. On the other hand, the *empirical-to-conceptual* method requires researchers to identify common characteristics from the data set and then group those characteristics into dimensions to create or revise the taxonomy-in-progress. The two approaches can be alternated during the taxonomy building process.

When building the taxonomy of platform co-operatives we started with the *conceptual-to-empirical* approach in the first iteration. The subsequent four iterations followed the *empirical-to-conceptual* approach, stopping the iteration when the taxonomy largely met both subjective and objective ending conditions, as further iterations would only add marginal changes. Compared to Nickerson et al.'s (2013) original method, data visualization was used at the beginning of *empirical-to-conceptual* approach (as can be seen in Figure 1) to conduct explorative data analysis of the harvested data set, making the taxonomy building process more efficient and effective, rather than examining all datasets at once or randomly selecting subsets of data for next iteration.

Each dimension consisted of a number of characteristics. For example, Dimension 1 Internal Members have characteristics such as producers, workers, and sellers. Each iteration to the taxonomy-in-process resulted in changes to several characteristics, e.g. adding new characteristics or merging two existing characteristics. For example, it was identified that other co-ops could be members of a platform co-operative (i.e. a federated platform co-operative) and hence added to the Dimension 1 Internal Members. During the taxonomy building process, a platform cooperative from our data set was examined and classified using the characteristics under each dimension. In doing so, we chose the most prominent characteristic, unless there was a need to use a combined characteristic (e.g. if the main internal members of the platform cooperatives are workers and producers at the same time). The resulting taxonomy after five iterations is shown in Table 1 below.

For clarity and simplicity, we dropped all multi-type of characteristics here, because it is possible to map more than one characteristic to the same target or indicators of the SDGs.

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5. Sellers' refer to those who sell products, which they did not produce/make.
 6. Others' include all other types of internal members such as citizens (as in the case of a healthcare data cooperative). In the future iteration of taxonomy development, certain characteristics contained here may be separated from the Others characteristic.
 7. If the customer is an internal member of the platform co-operative, we include it in the characteristic Consumers.
 8. The difference between public and community here is that 'Public' refers to the general public or society as a whole, as in the case of a healthcare data cooperative, committed to advancing medical research for the benefit of the whole society), while 'Community' refers to a particular region.
 9. The type of sharing that is facilitated by the digital platform, in relation to the sharing economy. For instance, there are examples of business process sharing in Smart, skill/knowledge sharing in Loconomics, transportation sharing (ride sharing) in FairCab, data sharing in MIDATA, home sharing/ short term rental sharing in Fairbnb..
 10. 'Special purpose' includes all other types of uses of the platform, e.g. one platform cooperative uses the platform to organise activism activities.
 11. The most prominent reason why the platform cooperatives emerged

		Characteristics							
Dimension		Workers	Producers		Sellers ¹	Other Co-ops		Others ²	
Who & Whom	<i>Internal Members</i>								
	<i>External Members</i>	Customers ³	Community		Public ⁴	Business			
What & How	<i>Sharing⁵</i>	Business Process Sharing	Transportation Sharing	Data Sharing	Risk Sharing	Home Sharing	Story Sharing	Tech Sharing	
		Skill/Knowledge Sharing							
Why	<i>Platform</i>	Online Market Place	Labour Brokerage		Data Laboratories	Web Hosting		Special Purpose ⁶	
	<i>Reason⁷</i>	In Response to Platform Capitalism	Underserved Industries		Innovative Member-based Business Models			To Make Use of	
When	<i>Stage</i>	Emerging		Open				Unknown	
	<i>Location</i>	Specific Country							
Where	<i>Industry</i>	Agriculture	IT	Transportation		Online Retail	Media	Other	
		Art &							

Table 1: The resulting Taxonomy of Platform Co-operatives

when and *where* is the value creation in terms of countries and industries. For example, MIDATA is the medical platform data cooperative, which acts as a trustee for health data collection of citizen members while grant citizen members control over the use of their data, e.g. sharing health data that contribute to medical research for the benefit of humanity (MIDATA, n.d.). The corresponding taxonomy for MIDATA with annotated description is shown in Figure 2 below.

<p>Internal Members: Producers (Citizens that produce health data in this case)</p> <p>External Stakeholders: Public (Contributing to medical research for the benefit of whole society)</p> <p>Sharing: Data Sharing (Pooled health data)</p> <p>Platform: Data Center (Data consortia or repository that collects and stores members' data)</p> <p>Reason: Innovative Member-based Business Models (Bring the benefit of cooperative structure and principles to online data platforms, which grant citizen members shared ownership and democratic control of the digital platform and their stored data)</p> <p>Stage: Emerging (Currently recorded as "In development" in the #PlatformCoop Directory)</p> <p>Location: Switzerland</p> <p>Industry: Healthcare</p>
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Figure 2: MIDATA's Value Creation Mechanisms from the Taxonomy

Using the multi-dimensional taxonomy (Table 1) it is possible to break down its value creation mechanisms into several dimensions that provide a more granular insight into MIDATA's use of the digital platform technology to create positive social impact through ethical member-controlled medical data sharing as well as scale up this impact beyond their local community. The developed taxonomy enables us to consider platform cooperatives' current and potential contribution to SDGs at the more granular level, based on their value creation mechanisms. The mapping process is described in the next section.

Mapping of platform co-operative taxonomy to targets and indicators for SDGs

In order to answer the research question—How do platform co-operatives contribute to SDGs?—we used the previously described taxonomy and mapped it to the SDGs. More precisely, we used the relevant characteristics from each taxonomy dimension and proceeded to map them to the global indicators and targets of SDGs, as specified by the 2030 Agenda for Sustainable Development (SDG Indicators, n.d. a). In order to reduce possible subjectivity embedded in this mapping process, the two authors used the same taxonomy and in the first step conducted the mapping independently. The resulting maps were compared, and differences were discussed and resolved through joint mapping.

As the taxonomy was built to capture platform cooperatives' value creation mechanisms, it made it possible to identify and answer a number of interesting questions related to their contribution to SDGs. For example:

- 1) What type of internal members would contribute to that specific target/indicator here (**Dimension: Internal Members**),
- 2) What type of external stakeholder is involved or could cooperate to achieve that target/indicator (**Dimension: External Members**),
- 3) What kind of sharing or digital platform would facilitate the SDG contribution here (**Dimension: Sharing & Platform**),
- 4) Is the contribution in alignment with the reason that platform cooperative emerged? (**Dimension: Reason**),
- 5) What industry is involved in this SDG contribution from platform cooperatives? (**Dimension: Industry**).

The **Dimension: Stage** was not mapped, because a platform coop needs to be established and operating in order to make an impact. Nevertheless, those platform co-operatives in concept or development stage could make potential contributions to relevant targets or indicators, similar to those already established that share similar/same value creation mechanisms.

Also, the **Dimension: Location** was not mapped here, although the specific country where the platform co-operative resides could imply a regional or national contribution. When examining specific SDGs that have a geographical focus (e.g. on the least developed countries), the corresponding location could be easily extracted from the built taxonomy.

It could be argued that all 17 SDGs are inter-connected and in theory platform cooperatives could make contributions to almost all targets and indicators. However, we mapped a target or indicator only to a characteristic in the taxonomy if there was direct evidence of contribution or this contribution could be inferred from data. The fully mapped results are shown in **Appendix 1** and **Appendix 2**, and the representative excerpts are shown by Figure 3 and Figure 4. As depicted by Figure 3 we used three color indicators to describe different types of relationships between the taxonomy characteristics and the relevant target/indicator as follows:

1. **Green** indicates that there exists a value creation mechanisms of certain types of platform co-operatives that could contribute to, or could facilitate the achievement of targets or indicators under this SDG;
2. **Blue** indicates that this target or indicator is largely dependent on government support and could potentially benefit certain types of platform co-operatives;
3. **Gray** indicates that, based on our findings, there are no related value creation mechanisms that could make relevant contributions to the given target/indicator.

Discussion

By examining the results of our mapping (as shown in **Appendix 1**), we found that out of total **169** targets and **247** indicators under all 17 SDGs, the currently registered platform cooperatives potentially contribute to, or are actively involved in, a significant number of targets and indicators. As visualised by the Green

Overview of Potential Contributions to Targets and Global Indicator Framework of the SDGs		<i>Indicators</i>
<i>Goals and targets from the 2030-Agenda for Sustainable Development</i>		
Goal 1. End poverty in all its forms everywhere		
1.1 eradicate extreme poverty		1.1.1 international poverty line
1.2 proportion living in poverty in all its dimensions		1.2.1 national poverty line
		1.2.2 proportion living in poverty in all its dimensions
	1.3	1.3.1
1.4 equal rights to economic resources and access to basic services		1.4.1 access to basic services
		1.4.2
		1.5.1
		1.5.2
		1.5.3
		1.5.4
1.5 resilience of the poor and vulnerable in face of shocks and disasters		1.a.1
	1.a	1.a.2
	1.b	1.b.1
Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture		
2.1 end hunger and nutrition		2.1.1 Prevalence of undernourishment
		2.1.2 Food Insecurity Experience Scale (FIES)
		2.2.1 Prevalence of stunting
2.2 end malnutrition		2.2.2 Prevalence of malnutrition
		2.2.3 Prevalence of anaemia in women
		2.3.1 production per labour unit
2.3 agricultural productivity and incomes of small-scale food producers		2.3.2 Average income of small-scale food producers
2.4 sustainable food production systems, resilient agricultural practices		2.4.1 productive and sustainable agriculture
		2.5.1 plant and animal genetic resources
2.5 genetic diversity of seeds, cultivated plants and farmed and domesticated animals		2.5.2 local breeds being at risk of extinction
	2.a	2.a.1
	2.a	2.a.2
	2.b	2.b.1
	2.c	2.c.1

Figure 3: Overview of Potential Contributions to Targets and Global Indicator Framework of the SDGs (Excerpt)

Dimension	Characteristics	Goal 1
Internal Members	<i>Workers</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Producers</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Sellers</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Other Co-ops</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Others</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
External Stakeholders	<i>Customers</i>	1.4 (1.4.1)
	<i>Community</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1)
	<i>Public</i>	1.4 (1.4.1)
	<i>Business</i>	1.4 (1.4.1)
Sharing	<i>Business Process Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Skill/Knowledge Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Transportation Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Data Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Risk Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Home Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
	<i>Tech Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Story Sharing</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
Platform	<i>Online Market Place</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Labour Brokerage</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Data Centers</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Web Hosting</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
	<i>Special Purpose</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
Reason	<i>In Response to Platform Capitalism</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Underserved Industries</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Innovative Member-based Business Models</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Supporting Other Co-ops</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>To make use of Innovative Technology</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
Industry	<i>Agriculture</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>Art & Entertainment</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.5
	<i>IT</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
	<i>Transportation</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Financial</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Healthcare</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2); 1.4 (1.4.1); 1.5
	<i>Online Retail</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
	<i>Media</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)
	<i>Other</i>	1.1 (1.1.1); 1.2 (1.2.1,1.2.2)

Figure 4: Mapping SDG Targets and Indicators to Taxonomy of Platform Co-operatives (Excerpt)

colour coding, they contribute to **61** targets and **67** indicators respectively. Those colour coded in Blue (**25** targets and **31** indicators respectively) indicate a possibility for government or business support that could benefit certain types of platform cooperatives. For instance, Targets 17.6 ~ 17.8 and their associated indicators under SDG 17 Partnership for the Goals emphasize global cooperation to bring access to enabling information and communications technology, especially in developing countries and least developed countries. Fulfilling these targets would indeed benefit or favor platform cooperatives in developing countries that operate and manage cooperative online platforms.

Although there are a number of remaining targets and indicators that are mostly irrelevant to the current pool of platform cooperatives or largely influenced at the national level or at the government side (indicated by Gray mapping), those unmapped targets and indicators are still important to consider. For example, they suggest future opportunities for new types of platform cooperatives to emerge and make contributions to these specific SDGs. The unmapped targets and indicators may also suggest future opportunities for traditional cooperatives to transform into platform cooperatives. For example, there is a possible opportunity for agricultural fishing cooperatives to transform into a platform cooperative. We note the absence of this particular type of platform cooperative from the #PlatformCoop Directory. A future agricultural fishing platform cooperative could be well positioned to contribute to the currently-unmapped goal SDG 14 Life below Water.

There are also cases where it is apparent that certain types of platform cooperatives could contribute to the themes described by the target, while the existing designed indicator is not suitable or not directly relevant to measure

their contributions (i.e. the indicator is largely measured at the government side). For instance, as can be seen in **Figure 3**, Target 1.5 (“build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters”) is mapped as Green while all its Indicators 1.5.1 ~ 1.5.4 are colored in Gray. It is widely argued that cooperatives as a business form, are more resilient compared to other private enterprises that focus only on financial returns (Birchall & Office, 2013; Co-operatives UK, 2015; Moxom & Romenteau, 2019; Ridley-Duff et al., 2018). Meanwhile, it is also suggested that worker-owned platform cooperatives tend to protect those precarious workers better compared to those capitalist platform counterparts (Saner et al., 2019; Scholz, 2016). Therefore, one could expect that in face of economic, social or environmental disasters and disruptions, those precarious workers working in the rider-sharing or freelancing industry would gain more resilience or protection in platform cooperatives, compared to their big tech counterparts. This is certainly the case with the current COVID situation. There are already examples of initiatives, discussions and long-term vision about better worker protections and relief measures within worker-owned cooperatives, including platform cooperatives (Dongre & Paranjothi, 2020; Herrera, Justie, Koonse, & Waheed, 2020).

In terms of the most contributing or involved SDGs, based on the number of contributing targets/indicators (shown by Green) to the total number of targets/indicators within that goal, SDG 2 End Hunger stands out. Based on our mapping, platform cooperatives are contributing to **5** out of total **8** targets (and **10** contributing indicators out of total **14** indicators). It is also interesting to note that agricultural platform cooperatives are well-positioned to make significant

contributions towards Targets 2.3 - 2.5, which are centered on themes related to increased agricultural productivity, increased income of small scale food producers and building of responsible and sustainable food production systems. When looking at the value creation mechanisms of these agricultural platform cooperatives (depicted by **Figure 5**), it is possible to identify new opportunities for the agricultural sector created by, for example, data sharing, online marketplaces innovative technologies (such as Internet of Things (IoT) and business data analytics).

<p>Internal Members: Producers (Farmers in this case), Others (Platform developers or managers)</p> <p>External Stakeholders: Business (Business partners that include data analysts or data scientists)</p> <p>Sharing: Data Sharing (Pooling and sharing agricultural data), Technology Sharing (Use of sensors and devices to capture agricultural data)</p> <p>Platform: Online Market Place (Some platforms offer farmers online markets to buy related products and services), Data Center (Data consortia or repository that aggregates and stores harvested agricultural data)</p> <p>Reason: To make use of innovative technology (digital data platform, IoT, big data analytics)</p> <p>Industry: Agriculture</p>
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Figure 5 Agricultural Platform Cooperatives Value Creation Mechanisms Breakdown

For example, agricultural platform cooperatives could provide a pooled data platform that could connect participating growers and/or farmers with other stakeholders. The same platform could incorporate sensors to capture agriculture related data for further data analysis by different stakeholders. The insights gained from the pooled data sets could guide farmers to improve agricultural productivity or employ sustainable and responsible food production practice. This in turn could bring increased income to those farmers that benefit from insights from their data. Hence, by considering agricultural platform cooperatives' value creation mechanisms, our mapping points to new opportunities towards achieving certain targets and indicators of SDGs.

In order to get a closer look at platform cooperatives' potential contributions, the full mapping results contained in **Appendix 2** are converted to a heat map that shows relative contribution of each characteristic to the relevant targets under each SDG, shown in **Figure 6** below. The percentages used in the heat map are calculated by dividing the number of contributing targets based on this characteristic to the maximum number of contributing targets present, computed under each SDG respectively. The resulting heat map sheds light on the most prominent contributing characteristics to SDG targets, for each SDG respectively. It is important to note that this heat map only shows the *relative* contributions to targets under each SDG. For simplicity, the indicators are not included.

Also, SDG 9 Industries, Innovation and Infrastructure is not shown in **Figure 6**. Based on our mapping, platform cooperatives we examined are not set to contribute to this particular goal. Yet they would generally benefit from governmental efforts such as building resilient road or Internet infrastructure, increased access to the Internet and information and communications technology, and promotion of innovative technologies as suggested from its targets and indicators.

Based on the heat map we identified a number of platform co-operatives' archetypes. These are groups of platform co-operatives that have similar value creation mechanisms and in turn contribute to the same set of targets and indicators. These platform co-operatives archetypes include agricultural platform co-operatives, healthcare platform co-operatives, rider-sharing platform co-operatives, and financial platform co-operatives. For example, agricultural platform co-operatives contribute almost exclusively to Target 6.4 as well as Indicator 6.4.1, which centers on increasing water efficiency. This is because the sensors used in these agricultural platform co-operatives enable better monitoring of water used in agricultural production. Moreover, any insights gained from the pooled data stored on the platform could be used to guide responsible agricultural production, including water use efficiency. Even transportation data from the ride-sharing platform co-operatives, when scaled up, have the potential to contribute to smart city and urban planning.

These findings indicate that platform co-operatives are now pursuing new opportunities by focusing on knowledge economy, technological innovation in industries such as agriculture, healthcare, and financial services as well as by sharing data and creating value in a way that would contribute to various targets or indicators of SDGs.

We also found that co-operative principles play an important role in connecting platform co-operatives' characteristics to certain targets or indicators, which shows a pattern of mapping across nearly all characteristics under each dimension from Figure 6. For example, SDG 4 Education is aligned with the co-operative principle 5 Education, Training, and Information. The co-operative principle Open Membership (without discrimination) could help platform co-operatives to achieve SDG 5 Gender Equality and SDG 10 Reduce Inequality. Finally co-operative principle 6 Cooperation among Co-operatives could inspire global partnership among platform co-operatives towards achieving SDGs, as featured in SDG 17.

In summary our research confirms that the existing platform co-operatives do contribute to, or facilitate implementation of various SDG Targets and Indicators. The remaining unmapped Targets and Indicators point to new opportunities for growth and contribution. These opportunities could be pursued by new platform co-operatives as well as by more traditional cooperatives, including those interested in transitioning to platform co-operatives.

Characteristics \ SDG	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5	Goal 6	Goal 7	Goal 8	Goal 10	Goal 11	Goal 12	Goal 13	Goal 14	Goal 15	Goal 16	Goal 17	Total
Internal Members																	
Workers	100%	40%	14%	75%	100%	0%	0%	71%	100%	100%	50%	67%	50%	0%	83%	67%	62%
Producers	100%	100%	86%	75%	100%	100%	0%	57%	100%	25%	50%	67%	100%	100%	67%	67%	75%
Sellers	75%	40%	0%	75%	100%	0%	0%	57%	75%	25%	25%	0%	0%	0%	67%	67%	43%
Other Co-ops	100%	40%	0%	75%	100%	0%	0%	57%	100%	25%	25%	0%	0%	0%	67%	100%	48%
Others	100%	100%	0%	100%	100%	100%	100%	71%	75%	75%	100%	100%	100%	100%	67%	100%	79%
External Stakeholders																	
Customers	25%	20%	14%	0%	33%	0%	0%	14%	25%	75%	0%	67%	100%	0%	33%	33%	26%
Community	75%	0%	0%	0%	33%	0%	0%	14%	25%	25%	0%	0%	0%	0%	17%	33%	15%
Public	25%	0%	86%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	33%	13%
Business	25%	60%	86%	0%	0%	100%	100%	14%	0%	0%	50%	33%	100%	100%	0%	67%	38%
Sharing																	
Business Process Sharing	75%	80%	0%	25%	33%	0%	0%	57%	100%	0%	0%	0%	100%	100%	17%	33%	39%
Skill/Knowledge Sharing	75%	0%	0%	75%	33%	0%	0%	71%	100%	25%	25%	33%	0%	0%	33%	33%	36%
Transportation Sharing	100%	0%	14%	25%	33%	0%	0%	71%	100%	75%	25%	33%	50%	0%	17%	33%	39%
Data Sharing	100%	80%	86%	25%	33%	100%	0%	57%	75%	0%	50%	67%	100%	100%	17%	67%	59%
Risk Sharing	100%	0%	0%	25%	33%	0%	100%	57%	75%	0%	0%	33%	50%	0%	17%	67%	31%
Home Sharing	50%	0%	0%	25%	33%	0%	0%	71%	75%	0%	0%	0%	0%	0%	17%	33%	23%
Tech Sharing	100%	80%	86%	25%	33%	100%	0%	57%	75%	0%	50%	33%	100%	100%	17%	67%	57%
Story Sharing	50%	0%	0%	50%	33%	0%	0%	71%	100%	0%	25%	33%	0%	0%	17%	33%	30%
Platform																	
Online Market Place	100%	80%	14%	25%	33%	0%	0%	86%	100%	75%	50%	67%	100%	100%	17%	33%	57%
Labour Brokerage	75%	0%	29%	25%	33%	0%	0%	71%	100%	25%	0%	0%	0%	0%	33%	33%	33%
Data Centers	100%	80%	86%	33%	100%	0%	0%	57%	75%	0%	50%	33%	100%	100%	17%	67%	57%
Web Hosting	50%	0%	0%	25%	33%	0%	0%	57%	100%	0%	0%	0%	0%	0%	17%	33%	23%
Special Purpose	100%	0%	0%	75%	33%	0%	100%	57%	75%	0%	25%	67%	50%	0%	17%	67%	38%
Reason																	
In Response to Platform Capitalism	100%	0%	14%	0%	33%	0%	0%	86%	100%	75%	25%	67%	50%	0%	33%	33%	43%
Underserved Industries	75%	0%	0%	0%	0%	0%	0%	57%	50%	0%	0%	0%	0%	0%	0%	33%	16%
Innovative Member-based Business Models	100%	0%	86%	0%	0%	0%	100%	57%	50%	0%	0%	0%	0%	0%	0%	33%	30%
Supporting Other Co-ops	100%	0%	0%	75%	0%	0%	0%	57%	50%	0%	25%	33%	0%	0%	0%	67%	28%
To make use of Innovative Technology	100%	80%	86%	0%	0%	100%	0%	57%	50%	0%	50%	33%	100%	100%	0%	67%	51%
Industry																	
Agriculture	75%	80%	0%	75%	100%	100%	0%	57%	100%	0%	75%	33%	100%	100%	17%	67%	56%
Art & Entertainment	75%	0%	0%	75%	100%	0%	0%	57%	100%	0%	25%	0%	0%	0%	17%	67%	34%
IT	50%	0%	0%	75%	100%	0%	0%	57%	100%	0%	25%	0%	0%	0%	17%	67%	33%
Transportation	100%	0%	14%	75%	100%	0%	0%	71%	100%	75%	25%	67%	50%	0%	17%	67%	49%
Financial	100%	0%	0%	75%	100%	0%	100%	57%	75%	0%	25%	67%	50%	0%	17%	100%	43%
Healthcare	100%	0%	86%	75%	100%	0%	0%	57%	75%	0%	25%	0%	0%	0%	17%	67%	44%
Online Retail	50%	0%	0%	75%	100%	0%	0%	57%	75%	0%	25%	0%	0%	0%	17%	67%	31%
Media	50%	0%	0%	100%	100%	0%	0%	71%	100%	0%	50%	33%	0%	0%	17%	67%	39%
Other	50%	0%	29%	100%	100%	0%	0%	86%	100%	25%	50%	33%	0%	0%	33%	67%	48%

Figure 6: Heat Map Mapping of Targets to Characteristics under Taxonomy

Conclusion, Limitations, and Future Work

This research focuses on platform co-operatives and aims to investigate their contribution to 17 SDGs. To achieve this aim, we first built a taxonomy of platform co-operatives, focusing on their value creation mechanisms (i.e. the 'how' of value creation). In order to build the taxonomy, we used data on platform co-operatives, which are currently registered in the Platform Cooperatives directory (Internet of Ownership, n.d.). The taxonomy building process was based on the rigorous taxonomy building research method by Nickerson et al. (2013), which we extended with data visualization to facilitate deeper insights from data. We then used the resulting taxonomy to map its dimensions and characteristics to specific targets and indicators of the SDGs.

Our research shows that co-operative principle-driven and digital platform technology-enabled platform co-operatives have both the capacity and the mechanisms to actively contribute to a significant number of targets and indicators of the SDGs. The mapping also suggests that fulfilling some targets and indicators on the government side could enable certain types of platform co-operatives. The unmapped targets or indicators point to further opportunities for new types of platform co-operatives to emerge or for traditional co-operatives to transform into platform co-operatives. We also discovered a number of platform co-operatives' archetypes in the emerging areas related to agriculture, healthcare, and financial innovations. This in turn indicates their widening scope in pursuit of new opportunities.

We acknowledge that the mapping of value creation mechanisms to targets and indicators is limited because platform co-operatives are rapidly emerging. Therefore, new types of platform co-operatives could emerge that would contribute to the currently unmapped (Gray) targets or indicators. However, this mapping and the underlying taxonomy are also extendible and open for further refinements by other researchers. The proposed mapping could also serve as a conceptual tool for platform co-operative practitioners to position themselves in alignment with relevant SDGs and pledge their commitment. They could also use it to communicate their social impact in terms of SDG contributions, participate in the #Coopsfor2030 campaign, and even develop their own specific indicators to track their progress towards relevant SDGs.

Our future work involves developing a SDG Capabilities Framework for archetypes of platform co-operatives and a SDG Impact Dashboard for platform co-operatives to benchmark and track their progress with relevant targets and indicators. We take this opportunity to raise awareness and collective attention of these emerging new types of co-operatives and invite the co-operative community to join forces and collaborate.

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Appendix 1

Goal 5. Achieve gender equality and empower all women and girls	
5.1 End gender discrimination	5.1.1 equality and non-discrimination on the basis of sex
5.2	5.2.1
	5.2.2
5.3	5.3.1
	5.3.2
5.4	5.4.1
	5.5.1
5.5 women participation and equal opportunities for leadership	5.5.2 Proportion of women in managerial positions
5.6	5.6.1
	5.6.2
5.a	5.a.1
	5.a.2
5.b ICT to empower women	5.b.1
5.c	5.c.1
Goal 6. Ensure availability and sustainable management of water and sanitation for all	
6.1	6.1.1
6.2	6.2.1
6.3	6.3.1
	6.3.2
6.4 water-use efficiency	6.4.1 water-use efficiency
6.5	6.5.1
	6.5.2
6.6	6.6.1
6.a	6.a.1
6.b	6.b.1
Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all	
7.1 affordable, reliable and modern energy services	7.1.1 access to electricity
	7.1.2 clean fuels and technology
7.2	7.2.1
7.3	7.3.1
7.a	7.a.1
7.b	7.b.1
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
8.1 per capita economic growth	8.1.1 Annual real GDP growth
8.2 economic productivity	8.2.1 Annual real GDP growth per employed
8.3 decent job creation, entrepreneurship, creativity and innovation	8.3.1 informal employment
8.4	8.4.1
	8.4.2
8.5 full and productive employment and decent work	8.5.1 hourly earnings
	8.5.2 Unemployment rate
8.6 youth employment, education or training	8.6.1 youth not in education, employment or training
8.7	8.7.1
8.8 labour rights, safe and secure working environments	8.8.1 occupational injuries
	8.8.2 national compliance with labour rights
8.9 sustainable tourism	8.9.1 Tourism direct GDP
8.10	8.10.1
	8.10.2
8.a	8.a.1
8.b	8.b.1
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	
9.1	9.1.1
	9.1.2
9.2	9.2.1
	9.2.2
9.3	9.3.1
	9.3.2
9.4	9.4.1
9.5	9.5.1
	9.5.2
9.a	9.a.1
9.b	9.b.1
9.c	9.c.1

Appendix 1

Goal 10. Reduce inequality within and among countries	
10.1 sustain income growth of the bottom 40 per cent of the population	10.1.1 Growth rates of household expenditure or income per capita
10.2 social, economic and political inclusion of all	10.2.1 Proportion living below 50 per cent of median income
10.3 equal opportunity, reduce inequalities, non-discrimination	10.3.1 personally felt discriminated
10.4 wage and social protection policies, greater equality	10.4.1 Labour share of GDP
	10.4.2
10.5	10.5.1
10.6	10.6.1
	10.7.1
10.7	10.7.2
	10.7.3
	10.7.4
10.a	10.a.1
10.b	10.b.1
10.c	10.c.1
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable	
11.1	11.1.1
11.2	11.2.1
11.3 inclusive and sustainable urbanization	11.3.1
	11.3.2
11.4	11.4.1
	11.5.1
	11.5.2
11.6 air quality and waste management	11.6.1
	11.6.2 fine particulate matter
11.7 safe, inclusive and accessible, green and public spaces	11.7.1
	11.7.2 victim of physical or sexual harassment
11.a national and regional development planning	11.a.1
11.b	11.b.1
	11.b.2
11.c	na
Goal 12. Ensure sustainable consumption and production patterns	
12.1	12.1.1
12.2	12.2.1
	12.2.2
12.3 food waste and reduce food losses	12.3.1 (a) Food loss index and (b) food waste index
	12.4.1
12.4 chemicals and all wastes management	12.4.2 Hazardous waste
12.5	12.5.1
12.6 sustainability reporting	12.6.1 sustainability reports
12.7	12.7.1
12.8 sustainable development education	12.8.1 education for sustainable development
12.a	12.a.1
12.b	12.b.1
12.c	12.c.1
Goal 13. Take urgent action to combat climate change and its impacts³	
13.1 resilience and adaptive capacity to climate-related hazards and natural disasters	13.1.1
	13.1.2
	13.1.3
13.2 integrated climate change measures	13.2.1
	13.2.2 Total greenhouse gas emissions
13.3 education on climate change	13.3.1 education for sustainable development
13.a	13.a.1
13.b	13.b.1
Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development	
14.1 reduce marine pollution of all kinds from land-based activities	14.1.1 (a) Index of coastal eutrophication, and (b) plastic debris density
14.2	14.2.1
14.3 ocean acidification	14.3.1 Average marine acidity (pH)
14.4	14.4.1
14.5	14.5.1
14.6	14.6.1
14.7	14.7.1
14.a	14.a.1
14.b	14.b.1
14.c	14.c.1

Appendix 1

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	
15.1 conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems	15.1.1 Forest area as a proportion of total land area
	15.1.2
15.2	15.2.1
15.3 restore degraded land and soil	15.3.1 land that is degraded
15.4	15.4.1
	15.4.2
15.5 reduce the degradation of natural habitats, halt the loss of biodiversity	15.5.1 Red List Index
15.6	15.6.1
15.7	15.7.1
15.8	15.8.1
15.9	15.9.1
15.a	15.a.1
15.b	15.b.1
15.c	15.c.1
Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	
	16.1.1
16.1 violence and related death rates	16.1.2
	16.1.3
	16.1.4 population feel safe walking alone
16.2 End violence against children	16.2.1 children and caregiver
	16.2.2
	16.2.3
16.3	16.3.1
	16.3.2
	16.3.3
16.4	16.4.1
	16.4.2
16.5 corruption and bribery	16.5.1
	16.5.2 businesses and public officials
16.6 effective, accountable and transparent institutions	16.6.1
	16.6.2
16.7 responsive, inclusive, participatory and representative decision-making	16.7.1
	16.7.2
16.8	16.8.1
16.9	16.9.1
16.10	16.10.1
	16.10.2
16.a	16.a.1
16.b non-discriminatory laws and policies	16.b.1 personally felt discriminated
Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	
17.1	17.1.1
	17.1.2
17.2	17.2.1
17.3 additional financial resources for developing countries from multiple sources	17.3.1 Foreign direct investment, official development assistance and South-South cooperation
	17.3.2
17.4	17.4.1
17.5	17.5.1
Technology	
17.6	17.6.1
17.7	17.7.1
17.8	17.8.1
17.9	17.9.1
17.1	17.10.1
17.11	17.11.1
17.12	17.12.1
17.13	17.13.1
17.14	17.14.1
17.15	17.15.1
17.16 Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships	17.16.1 multi-stakeholder development effectiveness monitoring frameworks
17.17	17.17.1
	17.18.1 Statistical capacity indicator for SDG
17.18 availability of high-quality, timely and reliable data	17.18.2
	17.18.3
	17.19.1
17.19	17.19.2

Appendix 2

Dimension	Characteristics	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5	Goal 6	Goal 7
Internal Members	Workers	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);45(451)	51(511);55(552);5b		
	Producers	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)	43(431);44(441);45(451)	51(511);55(552);5b	641(641)	
	Sellers	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);45(451)	51(511);55(552);5b		
	Other Coops	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);45(451)	51(511);55(552);5b		
Internal Stakeholders	Others	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);45(451);47(471)	51(511);55(552);5b	641(641);71(711);712)	
	Customers	14(041)	21(021)			51(511)		
	Community	11(011);12(021);21(041)				51(511)		
	Public	14(041)				51(511)		
External Stakeholders	Business	14(041)	23(231);232);24(041);25(251);252)	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)	44(441)	51(511)	641(641);71(711);712)	
	Business Process Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);47(471)	51(511)		
	Skill/Workforce Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	44(441)	51(511)		
	Transportation Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)	44(441)	51(511)	641(641)	71(711);712)
Sharing	Real Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)	44(441)	51(511)		
	Teeth Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)	44(441)	51(511)	641(641)	
	Stock Sharing	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	44(441);47(471)	51(511)		
	Online Market Place	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352)	44(441)	51(511)		
Performance	Labour Brokerage	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352)	44(441)	51(511)	641(641)	
	Data Centers	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352)	44(441)	51(511)		
	Web Hosting	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)	43(431);44(441);47(471)	51(511)		71(711);712)
	Special Purpose	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)		51(511)		
Reason	In Response to Platform Capitalism	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Imitative Member-based Business Models	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Supporting Other Coops	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Corporate use of Innovative Technology	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)				71(711);712)
Industry	Apprentice	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Art & Entertainment	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	36(661)				71(711);712)
	IT	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Transportation	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
Financial	Healthcare	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Online Retail	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Media	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352);39(893);3b(8b1);3b3);3c(8c1);3d(8d1);3d2)				71(711);712)
	Other	11(011);12(021);21(041);15(21021);22(222);222	21(021);22(222);222	34(641);342);35(651);352)				71(711);712)

Appendix 2

Dimension	Characteristics	Goal 8	Goal 10	Goal 11	Goal 12
Internal Members	Workers	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	113, 116(11.62), 117(11.72), 11a	124(12.4.2), 126(12.6.1)
	Producers	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	113	123(12.3.1), 124(12.4.2)
	Sellers	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)	113	126(12.6.1)
	Other Co-ops	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	113	126(12.6.1)
	Others	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 89(89.1)	101(101.1), 102(102.1), 103(103.1)	113, 117(11.72), 11a	123(12.3.1), 124(12.4.2), 126(12.6.1), 128(12.8.1)
	Customers	89(89.1)	103(103.1)	116(11.6.2), 117(11.72), 11a	
	Community	81(81.1)	103(103.1)	117(11.72)	
	Public				
	Business	81(81.1)			
	Business Process Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	117(11.72)	123(12.3.1), 124(12.4.2)
	Skill/Knowledge Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	117(11.72)	128(12.8.1)
	Transportation Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	116(11.6.2), 117(11.72), 11a	124(12.4.2)
Data Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		123(12.3.1), 124(12.4.2)	
Risk Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)			
Home Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 89(89.1)	101(101.1), 102(102.1), 103(103.1)			
Tech Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		123(12.3.1), 124(12.4.2)	
Story Sharing	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)		128(12.8.1)	
Online Market Place	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2), 89(89.1)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	116(11.6.2), 117(11.72), 11a	123(12.3.1), 124(12.4.2)	
Labour Brokerage	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	117(11.72)		
Data Centers	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		123(12.3.1), 124(12.4.2)	
Web Hosting	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)			
Special Purpose	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		128(12.8.1)	
In Response to Platform Capitalism	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2), 89(89.1)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	116(11.6.2), 117(11.72), 11a	124(12.4.2)	
Underserved Industries	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1)			
Innovative Member-based Business Models	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1)		128(12.8.1)	
Supporting Other Co-ops	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1)		123(12.3.1), 124(12.4.2), 126(12.6.1)	
To make use of Innovative Technology	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1)			
Art & Entertainment	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)		123(12.3.1), 124(12.4.2), 126(12.6.1)	
IT	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)		126(12.6.1)	
Transportation	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	116(11.6.2), 117(11.72), 11a	124(12.4.2)	
Financial	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		126(12.6.1)	
Healthcare	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		126(12.6.1)	
Online Retail	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2)	101(101.1), 102(102.1), 103(103.1)		126(12.6.1)	
Media	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2)	101(101.1), 102(102.1), 103(103.1), 104(104.1)		126(12.6.1), 128(12.8.1)	
Other	81(81.1), 82(82.2), 83(83.3), 85(85.1, 85.2), 88(88.1, 88.2), 89(89.1)	101(101.1), 102(102.1), 103(103.1), 104(104.1)	117(11.72)	126(12.6.1), 128(12.8.1)	

Members' Education And Training For Enhanced Good Governance In Co-operatives

Paulo Anania

Experience from Members' Empowerment in Co-operatives Programme in Kilimanjaro and Arusha Regions, Tanzania.

Abstract

Participation of members, the owners of their organizations, in co-operative governance can be enhanced through continuous education and training. This paper contributes to the empirical literature concerning the contribution of members' education and training in enhancing good governance in co-operatives. The paper centres on practical experience of Members' Empowerment in Co-operatives (MEMCOOP) programme implemented in Kilimanjaro and Arusha regions from 1996 to 2004. Specifically, the paper describes MEMCOOP organization and implementation, its role in promoting internal and external governance, and implementation challenges. By design, the paper uses MEMCOOP as a case study where exploratory documentary review of 14 literature works was conducted using documentary review protocol as a tool. Primary data were also collected from co-operative board members and experts involved in MEMCOOP using FGD and key informant interview methods, respectively. The paper revealed education and training helped to empower members by becoming active in the governance process, internally and externally. Empowered members were able to lead transformation of their co-operatives and shape the conduct of leaders and staff and overall adherence to good governance practices in co-operatives. However, several challenges faced MEMCOOP implementation including limited institutional support, limited understanding on the role of change agents and low interests of change agents on women and youth empowerment in non-co-operative organizations. The paper concludes that education and training is a vital empowering tool to enable members to participate in governing their business and protect their interests.

Keywords: co-operatives, education and training, good governance, members, empowerment, MEMCOOP

Introduction

Globally, people have accepted co-operatives as viable organizations for promoting socio-economic development by bringing local people into the mainstream of development process and markets (Anania & Bee, 2018; Rwekaza & Anania, 2020). Co-operatives enhance members' self-reliance, productivity, income and economic power to control their destiny and develop (Chambo et al., 2007). As they are autonomous and democratic, co-operatives enable members to jointly control their business and attain socio-economic goals (Smith, 2014). Co-operatives help protect members' interest and values by exercising good governance and management principles and practices (Cornforth, 2015). To ensure good governance is well exercised, education and training becomes a key empowering tool for members to lead their co-operative affairs. This has also been emphasized by the International Cooperative Alliance (ICA) which adopted education and training among its principles in 1995 (Anania & Rwekaza, 2018). Therefore, educated and trained members can promote co-operative development and govern it to bring sustainable development for themselves and surrounding communities. Well governed co-operatives have been playing a key role in supporting government efforts to promote local and national development in Africa (Khumalo, 2014; Maghimbi, 2010).

The attempts to strengthen co-operatives and ensure good governance practices go along with educating and training members by co-operatives and supporting institutions (Kunhu, 2011). Generally, education enhances behavioural changes and imparting skills, knowledge, and attitudes while on the other side training allows gaining specific competencies to perform specific tasks. The provision of continuous education and training helps to enhance good governance principles and practices

in co-operatives, hence safeguarding values, ethics and principles (Chambo, 2014; Novkovic & Miner, 2015). The governance practices include transparency, responsibility, accountability, participation, responsiveness to needs, and respecting rule of law (Cornforth, 2015; ICA, 2015; ILO and ICA, 2014). Good governance enables smooth operations of business, balanced decision making, and implementation and inclusion of key stakeholders (Rwekaza & Anania, 2020; Sacchetti & Tortia, 2013). With good governance, it is even possible to find a balance between individual members, organizational needs, and external stakeholders' interests.

In Tanzania, the provision of education and training for improving governance started with the co-operative movement in 1925. Even after independence in 1961, the government supported the initiative by establishing the Co-operative College Moshi in 1963 (Anania & Rwekaza, 2016). To date, co-operatives have been providing education and training to leaders, staff, and members as the key ingredient towards improving performance and promoting good governance. The provision of education and training in co-operatives is being done directly by co-operatives themselves and in collaboration with other stakeholders from co-operative supporting institutions such as Moshi Co-operative University (MoCU), Tanzania Co-operative Development Commission (TCDC), District Co-operative Officers, Co-operative Audit and Supervision Corporation (COASCO), Tanzania Federation of Co-operatives, and others actors in the public and private sectors. However, for sustainability of the intended results on strengthening good governance practices, the provision of education and training in co-operatives must always be inclusive of members and continuous.

For years, education and training in co-operatives focused much on leaders and staff while only occasionally focused on members. For the case of agricultural marketing co-operatives (AMCOS),

education to members has been focusing on productivity and loyalty while putting low emphasis on members' role in governance processes (Anania & Rwekaza, 2018; Bee, 2011; Chambo & Diyamett, 2010). It can be assumed that well-educated and trained members can enforce good governance practices and streamline co-operative identity in their operations and those of leaders and staff. However, in order to ensure good governance practices remain sustainable in co-operative life, there is a need to have continuous and well-designed education and training programmes (Dayanandan, 2013; Moon & Lee, 2020). Provided that members are the users, controllers, beneficiaries and owners of the co-operative, then education and training programmes must be focused on empowering members to fulfill their obligations and exercise their rights including participating actively in the co-operative governance process and practices (Gimenes et al., 2016).

Different studies have indicated the importance of good governance in co-operative development and the role of members in ensuring good governance practices are exercised (Dayanandan, 2013; Gimenes et al., 2016; Masuda et al., 2015; Novkovic & Miner, 2015). Some studies such as Budiyah and Suyono, (2020), Anania and Rwekaza (2018) and Rwekaza et al. (2018) have indicated the importance of education and training in improving performance in co-operatives. But these studies have not explained them in the context of improving good governance in co-operatives. The study by Puri and Walsh (2018) indicated that education of members has no significant impact in enhancing good governance in co-operatives. Other studies such as Rwekaza et al. (2020), Rwekaza and Anania (2020), and Xiang and Sumelius (2010) indicated that education received by members can influence their participation in managing the co-operative enterprise but have ignored other elements of good governance that can be improved

through education and training. Further, studies such as Rwekaza et al. (2018) and Rwekaza and Anania (2020) indicated the need for co-operative education to members as a means to promote good governance in co-operatives but didn't specify what governance aspects can be improved through education and training to members.

In the attempt to bridge this gap, this paper intends to share experience on how provision of continuous education and training through a well-designed programme for members can help to improve various good governance aspects in co-operatives. The paper draws on the experience of implementing the Members Empowerment in Co-operatives Programme (MEMCOOP) in Tanzania. The programme was implemented by the then Co-operative College Moshi (now Moshi Co-operative University) from 1996 to 2004 (CC, 2001a; CC, 2001b; Larsen et al., 2003; Macha, 2001). However, despite good results, there has been limited literature and knowledge on MEMCOOP's success in enhancing good governance. Further, provided that good governance remains among the key challenges in co-operatives, the MEMCOOP experience sheds light on contemporary initiatives on members' empowerment for enhanced good governance.

This paper intends to contribute to the empirical body of knowledge and create awareness among co-operators, policy makers, and the general public on how members' education and training can improve governance practices in co-operatives. Specifically, it provides an overview of MEMCOOP organization and implementation and its role in promoting good governance and challenges faced in piloted co-operatives. The paper is organized in this way: it consists of the conceptualization of co-operative governance followed by the approach and methods used and discussion before ending with the conclusion.

Conceptualization of Member Education and Training for Improved Good Governance in Co-operatives

Good (co-operative) governance combines the processes and structures for controlling and directing the organization with a favourable system for overseeing the relationship among managers, board, and members and dealings with external stakeholders. Governance in co-operatives takes two forms: internal and external governance.

Internal governance consists of structures and decision-making processes for channeling decisions, disseminating and monitoring, and control mechanisms for implementation and allocation of co-operative resources and surplus (Bijman et al., 2014; Chambo & Diyammett, 2010). Members make final decisions then task implementation to board members whom they can hold accountable (Rwekaza

& Anania, 2020). Members participate economically, in leadership, and making follow-ups. The board hires staff to execute professional and managerial duties in co-operatives. The Manager is the executive staff in the co-operative who is accountable to the board. A feedback mechanism exists from staff to the board then to the members. Board and staff operations need to adhere to good governance practices and existing governing and operational instruments (i.e. bylaws, policies, and regulations).

External governance is defined from the process of co-operatives' interaction with their external stakeholders from either public or private sectors. Here good governance is determined by the way co-operatives retain autonomy and independence, assure mutual benefits, bargain, influence policy and other reforms, and protect co-operative identity and interests. Figure 1 depicts the relationship between education and training in promoting good governance.

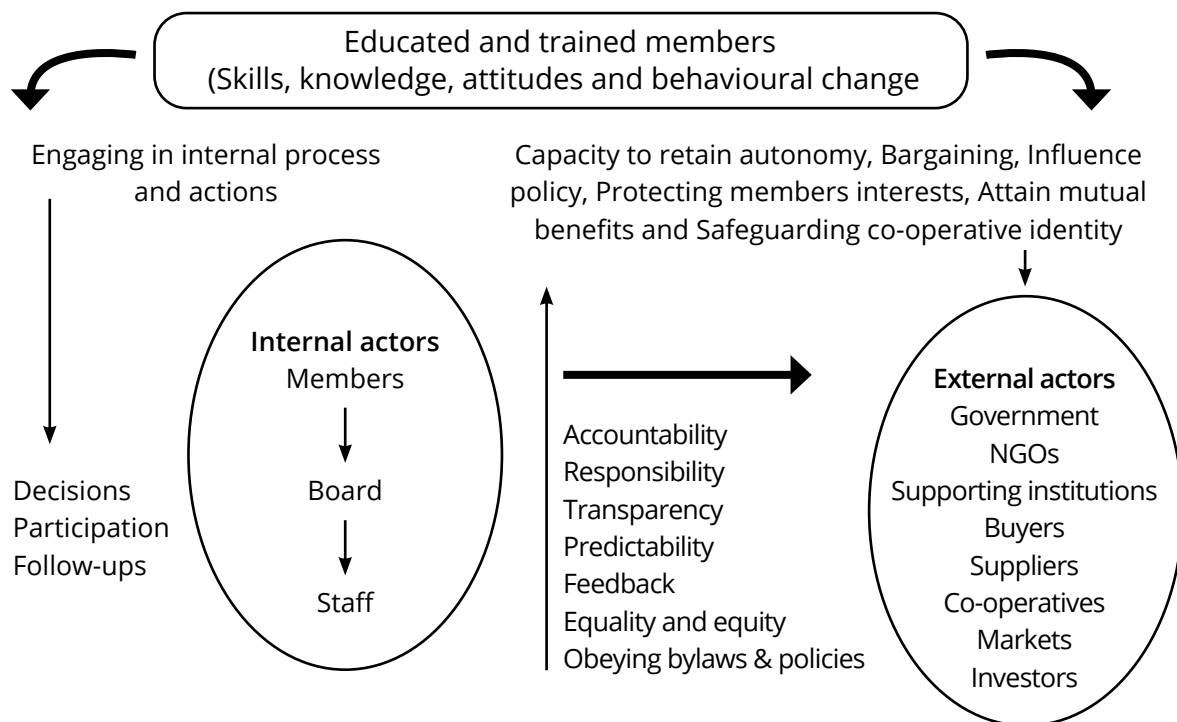


Figure 1: Interface model of the relationship between co-operative education and training and good governance

Approach and Methods

This paper adopts a qualitative approach and uses the MEMCOOP programme as case study. The design enabled in-depth study of MEMCOOP and a capacity to draw inferences of what prevailed in the programme to enable generalization of issues. The approach and design helped to get a real picture on MEMCOOP and its impacts on beneficiaries. Secondary data have been collected from various literature related to MEMCOOP through a documentary review method with a review protocol as a tool. The explorative documentary review approach/design was applied. The author reviewed various literature related to MEMCOOP to identify issues related to themes under discussion. Due to limited MEMCOOP literature, only primary grey literatures have been accessed including implementation and evaluations reports, minutes of programme meetings from experts involved, and the MoCU library. Also external evaluation reports and working papers were reviewed. A total of 14 documents on MEMCOOP were reviewed. Also some primary data were also collected through Focus Group Discussion (FGDs) and Key Informant Interviews (KIIs). The FGD involved ten (10) board members of agricultural marketing co-operatives (AMCOS) involved in MEMCOOP. The KIIs involved five (5) experts with MEMCOOP experience. These included three (3) experts from MoCU and two (2) from Kilimanjaro New Co-operative Initiative Joint Enterprise (KNCI JE). The checklist with various themes related to the key issues discussed under this paper was used as a tool for data collection in both FGDs and KIIs. The qualitative data have been analyzed using content analysis methods and the findings have been used to supplement findings from secondary sources. The participants for both FGDs and KIIs were sampled purposively based on their knowledge and experience with MEMCOOP. The numerical findings from reviewed documents are presented in various figures.

Results and Discussion

MEMCOOP Organization and Implementation

Following the feasibility study in 1995 and support from the Norwegian Society for Rural Development (NORCOOP), a pilot programme named Members' Empowerment in Co-operatives (MEMCOOP) was developed in 1996. MEMCOOP was piloted from 1996 to 2004 in Kilimanjaro and Arusha regions by the then Co-operative College (CC) Moshi which is now Moshi Co-operative University (MoCU). It was done in collaboration with NORCOOP and ICA-East, Central and Southern Africa Office (CC et al., 2000; Larsen et al., 2003; Macha, 2001). MEMCOOP involved other stakeholders like District Co-operative Officers (DCOs), Community Development Officers (CDOs), Extension Officers, and staff in NGOs supporting co-operatives (CC, 2001a; CC, 2001b). It also included the Co-operative Department, Tanzania Federation of Co-operatives (TFC), Unions and Co-operative Auditing and Supervision Corporation (COASCO). By 2004, a total of 380 DCOs, 4 Zonal Executive Officers, and 8 auditors were trained followed by training for members, managers, and committees (MUCCoBS, 2004). Three years of MEMCOOP in Arusha involved 22 change agents who trained 45 primary co-operatives and 10 economic groups. In total 2,352 members, 55 secretaries, 322 committee members were trained (MUCCoBS, 2004; Norges Vel and CC, 2002). As MEMCOOP ended, a total of 171 co-operatives and about 60,000 co-operative members and over 2,000 committee members and co-operative secretaries were trained (Bibby, 2006; Coulson et al., 2018). See Figure 2.

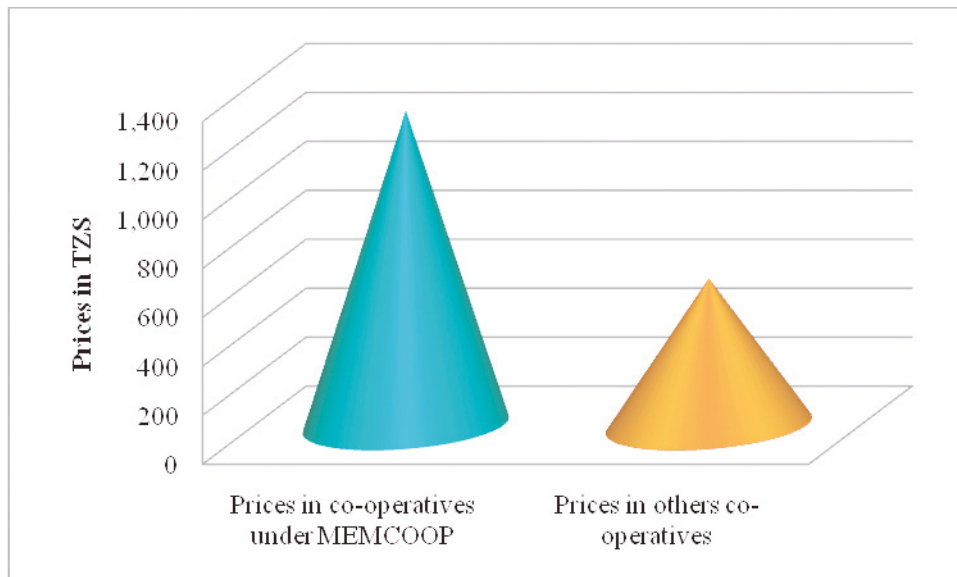


Figure 2: Direct beneficiaries of MEMCOOP at the grassroots

MEMCOOP Role in Promoting Internal Governance in Co-operatives

Capacity to hold leaders and staff accountable

The educated and trained members through MEMCOOP gained the capacity to hold leaders and staff accountable when they failed to perform. Members demanded leaders to be transparent and serve members' interests. Reviewed reports indicate that members removed and held accountable corrupt leaders and staff in their co-operatives. The FGD participants also revealed that members even requested DCOs to call immediate elections to replace leaders and pressured them to repay embezzled funds. The cases for members holding leaders and staff accountable were also observed in MEMCOOP reports by Gatahwa (2002), Macha (2001), CC (2001b), CC et al. (2000) and Chambo, (1998). Therefore, MEMCOOP empowered members to take back their control and power. Similarly, this has been argued in Anania & Towo (2016), Ponera & Njau (2015), Girard (2015), Chaddad and Illiopoulos, (2013) and Mohamad et al. (2013). Such decisions helped address "managerial

capture" challenges as described by the principal-agent theory where managers sometimes tend to promote their interests rather than those of board and members e.g. demanding more rewards (Birchall, 2015).

Change in mindset and demand for capacity building services

MEMCOOP enabled members to recognize capacity gaps and challenges delaying their co-operative development. They realized that capacity building is needed for strong and sustainable co-operatives (CC, 2001b; Macha, 2001). The educated and trained members started demanding more services from change agents. The services demanded included regular auditing and inspection, training, conflict resolution and marketing. The members were also ready to pay for the services. One key informant at KNKI revealed that MEMCOOP transformed members' mindset in realizing key services needed for co-operative development and this included demand for more training. This relates to arguments by Bhuyan, (2007) that positive-minded members are likely to be committed to their co-operative.

Building internal leadership capacity

MEMCOOP helped to improve members' understanding of the importance of good leadership in co-operative management. Several leadership challenges existed before, including leaders' failure to find better markets and prices for the crops and unethical conduct such as corruption and resource misuse (CC, 2001b; Chambo, 1998; Gatahwa, 2002; Macha, 2001). Through education and training, members managed to identify leadership gaps and demanded training, searching alternative markets and minimized their dependence on the Unions. The members demanded strong leadership that can fulfill their interests. This means that, once empowered, members can produce good leaders who promote members' interests as argued by Girard (2015).

Enhanced members' participation and control

MEMCOOP improved members' participation and control in co-operatives. Members increased shares contributions, attended meetings, and even attracted others to join their co-operatives. For example, Macha, (2001) indicated that Rombo district had 14,911 members in 1994/1995 who increased to 22,967 in 1998/1999 after MEMCOOP. In Moshi District membership increased from 8090 in 1994/1995 to 14,477 in 1998/1999 (see Figure 3). Also a share value increased from TZS 1,000/= to TZS 2,000/= (Gatahwa, 2002). Therefore, empowered members can engage actively in business, contribute capital, and exercise control. Attending meetings is crucial since it helps members to exercise their democratic rights of engaging in discussion, making decisions, and safeguarding their interests (Dayanandan, 2013)

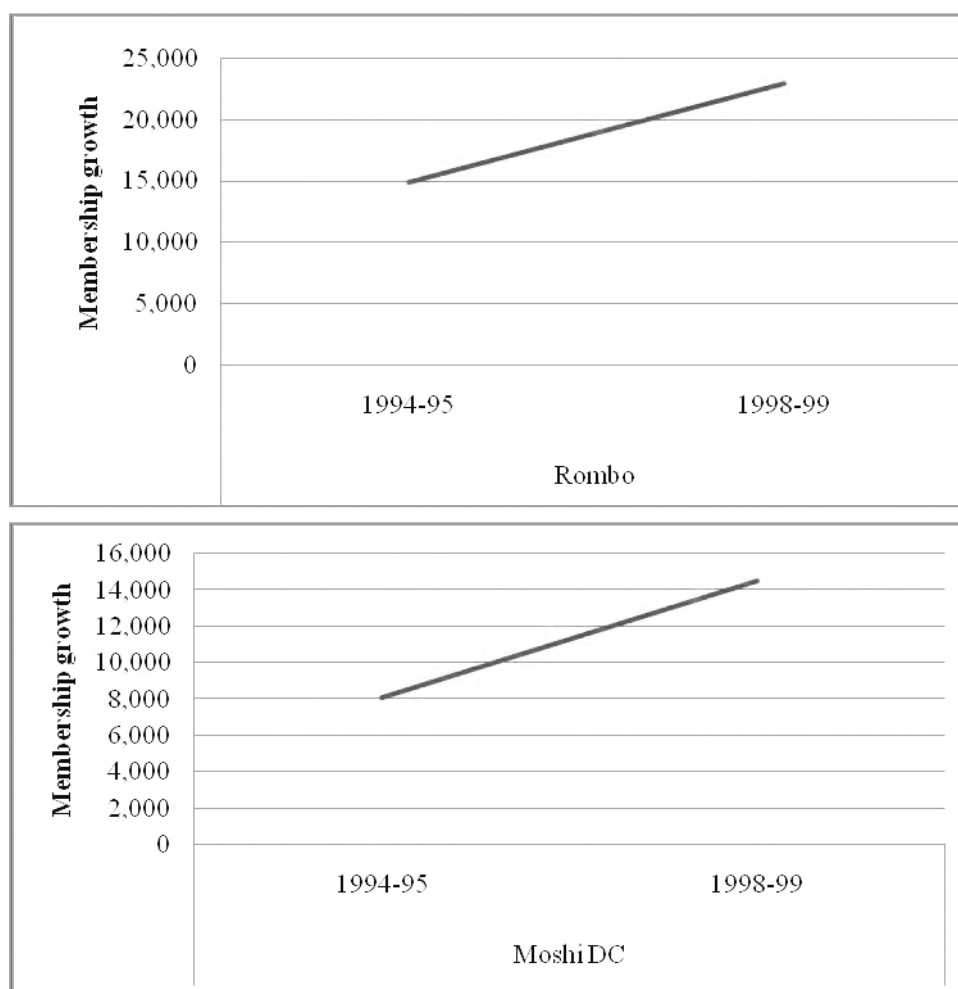


Figure 3: Membership growth in Rombo and Moshi Districts from 1994/95 to 1998/1999

Adherence to legal requirements for co-operatives

MEMCOOP empowered members to demand more compliance with legal requirements by their co-operatives. Reports by Chambo and Sizya (1999) and also Chambo and Mbasha (1998) indicated that educated members started demanding ordinary and special general meetings to be held regularly as per the bylaws. The members also demanded financial auditing of the reports. An interview with one MoCU expert revealed that MEMCOOP enabled members to demand transparency, regular provision of financial reports, and clarification on contracts and agreements made by leaders before signing them. These influenced leaders' improved compliance.

Positive change of members' attitudes towards business

Through MEMCOOP, members' attitudes changed to become business-minded while controlling the adherence to values, principles, and ethics (Macha, 2000). Members became more committed to production and selling coffee through their co-operatives and gained entrepreneurial and business management skills that helped diversification and value addition in co-operatives (CC, 2001c). This included adopting better farming practices for coffee production and use of improved seedlings. Members also pushed their leaders to become more active in searching for alternative markets and minimized dependency on the secondary co-operatives (Unions). All these show that members changed their mindset towards business including commodity and business diversification. Maghimbi, (2010) reported that from 2004 some MEMCOOP co-operatives in Rombo, Hai, Same, and Mwangi districts started selling crops directly to final buyers. Therefore, with commitment,

right business attitudes, capital and business management skills, members can transform how they do business as argued by Birchall (2014).

Other impacts

Besides the above impacts, MEMCOOP also influenced other internal good governance practices such as improving gender equality in leadership and decision making where men and youth started being involved in AMCOS affairs. The MEMCOOP also helped to increase members' loyalty and understanding of their rights and obligations as well as improving co-operation among members and their participation in activities and meetings (CC, 2001c; Gatahwa, 2002; Macha, 2001). Further MEMCOOP empowered members in understanding the by-law' formulation unlike before when they mostly relied on external people (including DCOs) who sometimes didn't reflect members' needs in developing the bylaws (CC, 2001b; Chambo & Mbasha, 1998; Chambo & Sizya, 1999). The improved participation in by-law preparation indicates that members needed to own the process (Macha, 2000). These improvements were vital since they put members back to their seat as decision makers.

MEMCOOP and Promotion of External Governance in Co-operatives

Apart from above internal impacts, MEMCOOP also strengthened external governance in co-operatives. Some of impacts include the following:

Increased bargaining capacity and protection of members' interests

MEMCOOP improved members' bargaining capacity through their leaders and staff especially when meeting with buyers compared to co-operatives outside the programme (Bibby, 2006; Maghimbi, 2010). Figure 4 shows coffee prices in Tanzanian Shillings (TZS) for the

agricultural marketing co-operatives (AMCOS) under MEMCOOP and those outside the programme. In 2003/2004, coffee price was TZS 1,286/= per Kg for co-operatives under MEMCOOP compared to TZS 600/= per Kg for those continued with traditional market channels (Maghimbi, 2010). On other aspects, the empowered members (with their leaders and staff) in co-operatives managed to negotiate credit from banks including Kilimanjaro Co-operative Bank Limited (KCBL). Also they negotiated costs for transport and coffee processing due to improved volume of coffee produced. Alternative searches for other coffee curing companies and financing emerged too. As argued by Ruben & Heras (2012) and Di Falco et al. (2007), members expecting benefits from co-operatives hence participate actively in production decisions, accessing inputs and market and enhancing bargaining capacity.

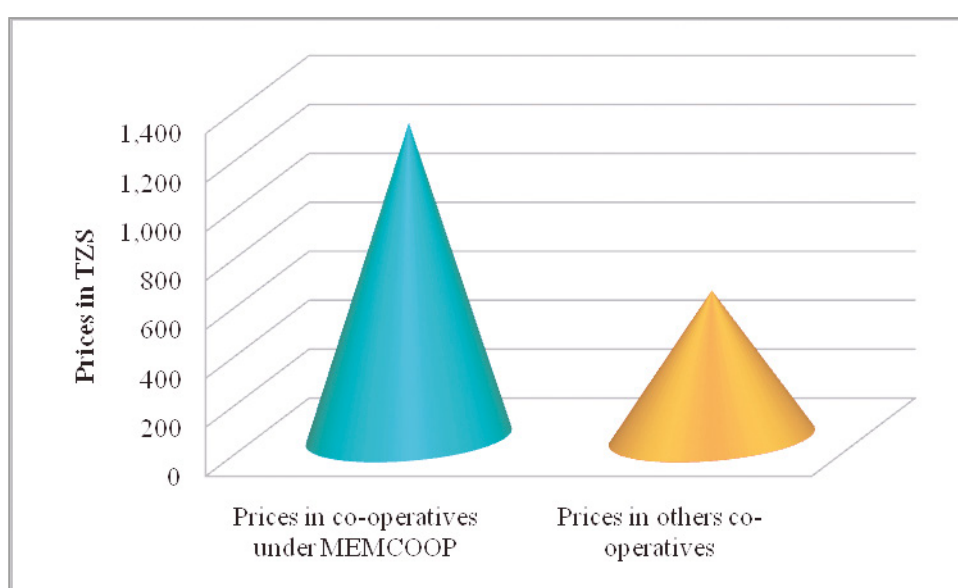


Figure 4: Prices in MEMCOOP and Non-MEMCOOP co-operatives in year 2003/2004

Members protest against poor services by the Unions

Reports indicate that MEMCOOP improved the power of members and leaders by enabling them to question the performance of co-operative Unions. For instance, in Kilimanjaro region, members indicated dissatisfaction with the Union—that is, Kilimanjaro Native Co-operative Union (KNCU) and Vuasu Co-operative Union (VCU)—and started to demand discussions of reports, auditing, and transparency during General Meetings and extended meeting days from one to two (CC, 2001b; CC, 2001c; Macha, 2000). Similar views on changed accountability mindset to Unions were shared by participants in the FGDs. Later, some co-operatives withdrew from Unions (e.g. Kamwala and Kindoroko from KNCU and Gomata from VCU) and started searching coffee markets on their own (CC, 2001b). Withdrawing also happened in some co-operatives under Arusha Co-operative Union (ACU) (Norges Vel & CC, 2002). Later in the Kilimanjaro region, the 33 co-operatives withdrew their membership from KNCU and established a new co-operative known as Kilimanjaro New Co-operative Initiative Joint Venture (KNCI JV). These show that educated and trained members became aware of the services and level of performance to be expected of secondary co-operatives (Unions) and they were ready to change issues and structures affecting their interests.

MEMCOOP impacts beyond primary co-operatives

During the interviews, experts from MoCU revealed that MEMCOOP had impacts beyond its beneficiaries in the piloted regions. MEMCOOP implementation experience shaped the policy and legislative environment in Tanzania including the process and role of policy and lawmakers in developing the Co-operative Development Policy of 1997 and that of 2002 and also the Co-operative Societies Act of 2003 and its Regulations of 2004. Further, the demand for audited reports and regular inspections improved the operations of the co-operative auditing and inspection services including those done by the Co-operative Audit and Supervision Corporation (COASCO). With MEMCOOP experience, the auditing of co-operatives started considering governance issues more seriously.

Challenges Experienced in Implementing MEMCOOP

Apart from the above positive impacts of the programme, MEMCOOP implementation also represented different challenges including low institutional support from various stakeholders. Since MEMCOOP was externally funded, the Executive Directors in District Councils and other institutions didn't provide resources to change agents for executing their duties. For instance, the District Co-operative Officers (DCOs) and Community Development Officers (CDOs) were not given enough resources such as fuel and transport vehicles to execute their duties in AMCOS and economic groups (CC, 2001b).

There was a challenge in lacking a common description on roles of change agents. According to Chambo and Sizya, (1999) and CC (2001b), the Co-operative College Moshi (CC) regarded change agents as means/vehicles to help members in co-operatives and economic groups to address their challenges and achieve greater benefits. But, on the other side, the leaders and staff in Unions expected the College to educate the change agents on making co-operatives more loyal to the Unions. The Unions also considered MEMCOOP to be threatening their existence since AMCOS started questioning their performance and other accountability issues hence limited their support. In this case, resources supported by co-operative Unions after the end of MEMCOOP were very limited.

There was another challenge that the change agents put less attention on empowering women and youths in economic groups compared to the co-operatives (CC, 2001b; Chambo * & Mbasha, 1998). In this case, some of the economic groups lacked technical support and skills needed to enable transforming into co-operatives (AMCOS) after the phase out of MEMCOOP. Further, the interview with some staff at MoCU revealed that the Co-operative College Moshi wanted to replicate the programme countrywide and hence submitted the proposal to the responsible Ministry for co-operatives for funding. Unfortunately, the programme didn't get resources for replication to other regions. The College did some internal efforts in replicating MEMCOOP in its Regional Offices as its member empowerment approach using its scarce resources. But the initiative didn't last long due to resource shortage.

Conclusion and Areas for Further Study

For decades, co-operative members were less privileged in accessing education and training and when considered, the focus had been on improving production and their loyalty to the co-operatives. MEMCOOP came as an empowering tool for members to take the lead in co-operative governance. Through MEMCOOP it has been revealed that empowered members can engage actively in ensuring accountability of their leaders, searching for capacity building services, and improving leadership capacity. Educated and trained members can change their mindsets towards business, improve gender equality, participate in co-operative affairs and control while ensuring compliance with legal and regulatory frameworks. Empowered members also improved their bargaining power and held Unions accountable for poor governance and performance. Further, MEMCOOP has been a significant catalyst in improving the auditing process and the policy and legislative environment in Tanzania. However, implementation challenges on MEMCOOP happened including limited support from supporting institutions and the contradiction on the role of change agents and in coordinating their activities, among others. Generally, MEMCOOP impacts can be well acknowledged and give lessons on the need for continuous members' education and training to enhance good governance in co-operatives. Though the discussions in this paper have been limited to what were found on reviewed works, still it can provide a picture among scholars, the co-operative movement, development practitioners and policymakers on the design, implementation, and possible impacts of interventions aimed to empower members and create well-governed co-operatives in Tanzania and elsewhere in the world.

Given that this paper has been written mostly based on the reviewed documents, some further scholarly works in the topic can be done. There is a need to conduct a survey study to assess the current status of the agricultural marketing co-operatives (AMCOS) that benefited from MEMCOOP. This can involve studying their current status in terms of economic performance, exercising good governance practices, succession of leadership qualities to young members and other aspects, both quantitatively and qualitatively. Also making a comparative study between the AMCOS previously involved in MEMCOOP and those not involved can be attractive and useful. Further studies can help to make comparisons and also assess if the impacts have been sustained up-to-date. Also it can help to determine how long the AMCOS can sustain programme impacts including holding good governance practices in its mainstream of daily operations despite years of operation and changes in leadership, management, and membership structure.

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Co-operative Hybrids ¹²

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Abstract

Within the sub-theme of “Co-operative governance and member engagement” of this special issue on “Bridging Divides: Promoting Economic, Social, and Cultural Democracy,” this paper explores how hybrids, or adaptations of the co-operative form, have implications for compliance with co-operative principles, including democracy and member engagement. In the context of growing interest in hybrid forms, social economy researchers focus attention on a new hybrid: the social enterprise (including the social co-operative in Italy), which embraces inclusivity, particularly of disadvantaged people. Other hybrid forms of co-operatives have developed: in agricultural co-operatives changing voting rights to give more influence to larger members, New Generation Co-operatives, co-operatives partially converted to a stock company to allow investment by private investors, in the consumer sector, multi-stakeholder structures, and in worker co-operatives, the Mondragon model. At the multi-organizational level, holding structures involve a co-operative developing a wholly owned subsidiary, using a conventional company structure. These latter hybridization trends, the result of neo-liberal and globalisation trends, together with increasing management influence, may limit the capabilities of co-operatives to fulfil their values and principles.

This paper attempts to clarify origins and issues underlying hybrids, and tensions that lead to hybridity—particularly regarding finance and membership—and to consider the extent to which hybrids are an inevitable response to sustained isomorphic pressure or can manage to sustain their co-operative identity. It concludes by reflecting on the overall framework of organizational ideal types and hybrids, and considers a path-dependency perspective on types of co-operative hybrids.

Keywords: hybrid, co-operative, social enterprise

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Introduction and Literature

Hybrids in the third sector/social economy: There is a growing view that many third sector organizations are being transformed into hybrid forms. For example, researchers from the EMES Network (Borzaga & Defourny, 2001; Nyssens, 2006), focus attention on some of the 'hybridization' processes that lead to the development of what is often recognised as a major new hybrid organization: the social enterprise. One of the most notable forms of this is the social co-operative model in Italy which is "hybridized" in two respects: first in adopting an inclusive multi-stakeholder governance structure (in contrast with the single stakeholder structure more typical of co-operatives), and second in terms of using multiple resources (state, market, social capital).

Social Enterprise: EMES scholars have argued that social enterprises are hybrids of co-ops and non-profits; they have established a multi-dimensional approach with nine dimensions for defining the field of social enterprises, but these dimensions are to be used as an ideal type. Thus, some social enterprises will only achieve significant levels of performance for some of the dimensions and (as in the third sector generally) there are a great variety of forms of social enterprise in any particular context.

Bode et al. (2006) regard the social enterprise hybrid as having three distinctive features (p. 237):

- Multiple goals
- Multiple resources
- Multi-stakeholders

But they also refer to the "hybridization of goals, resources, and outputs," when discussing the extent to which a work integration social enterprise (WISE) can sustain this (p. 238). Borzaga et al.

(2010) argue that this hybridity (leading to organizational diversity) is driven partly by internal goals and motivations, and partly changing contextual factors, such as marketisation processes. Note that the nine EMES dimensions defining the social enterprise do not include multi-stakeholder structures or multiple resources, and that these latter features have emerged from empirical research on WISE. Thus, they may not be ideal typical of other types of social enterprise; nonetheless, they do warrant further discussion of the ideal typical nature of social enterprise.

A different kind of approach is adopted by Laville & Nyssens (2001), one that is more concerned with "hybridization" as an approach to ensure the distinctive character of social enterprise by managing diverse sources of resources. In a Polanyian analysis, Laville & Nyssens (2001) developed a positive view of hybridization. They argue that social enterprise can deliver collective benefits and resist isomorphism to remain autonomous by mobilising social capital via *embedded solidarity networks*, and combining that with other economic resources (from the state in redistribution and from the market). In this view the relative lack of full cost recovery by non-profits may be seen as an indicator of compensating social capital creating a new dynamic for delivering collective benefits. This paper does not address this issue directly but more generally in a later section on resisting isomorphism; although we note that use of multiple resources has costs as well as benefits, and reducing dependency is not necessarily linked to more varied sources of resources.

Third Sector Hybrids: Billis (2010) adopts a similar ideal typical approach to characterize the public, private, and third sectors. He identifies an ideal type for each sector, and characterizes a number of different hybrids which combine elements of each sector. Thus,

in this scheme, social enterprise would be a hybrid of third sector and private sector—in contrast to the EMES view where it combines elements of two forms *within* the third sector. Contributors to the Billis book go into considerable depth elaborating the different hybrid forms (in this scheme), their characteristics and their dynamics (supporting and changing them). Billis (2010) describes the “membership association” as the ideal type of voluntary organization:

In this model people establish a formal organisation in order to resolve their own or other people’s problems. These members, through a process of private elections, elect committees and officers to guide the work of the organisation. The organisation may need additional volunteer labour to forward its policies. Other resources may also be sought, and these are typically membership dues, donations and legacies. Work is driven neither by the need to make a profit nor by public policies, but primarily by the association’s own agenda...

In the association, the gap between *formal*, *active* and *principal* owners may be small. However, even in small, tightly knit groups, it is possible to differentiate between those (formal members) who stay in the shadows, ... those who play an active part in committee and other activities; and a core group of those (principal owners) ‘who everybody knows’ will really be the key players in the defining moments of the group’s history. (pp. 53-54)

Spear et al (2008), like Billis (2010), develop a path-dependency perspective on the processes of change and adaptation which third sector organizations undergo, and they emphasize adaptations from ideal types. Brandsen et al. (2005) argue that hybridity and change are permanent features of third sector organizations, which struggle to manage tensions for example between institutional logics and logics of provision.

Co-operative Hybrids: Other hybrid forms of co-operatives have developed and become institutionalised (Monzon et al, 1996). In many agricultural co-operatives changes in voting rights give more influence to larger members; rule modification accepts financial members. And again, in the agricultural sector, hybrid forms develop where the co-operative is partially converted to a stock company to allow outside investment by private investors—often leading to a gradual process of privatisation (Monzon et al, 1996).

In the consumer sector we have seen hybridization in the form of multi-stakeholder structures with staff as members e.g. in Eroski in the Mondragon complex (and informally in other co-operatives where staff may be members as consumers). Similarly, in worker co-operatives we have seen the Mondragon model with substantial employee ownership, and employee ownership which functions like co-operatives (Spear & Thornley, 1982), and other models like the John Lewis model (Salaman & Storey, 2016). Also, in many sectors holding structures grow where a co-operative grows and diversifies by developing a line of business and wholly owned subsidiary of the co-operative, using a conventional company structure (Côté, 2001).

Hybrids may emerge in two ways—most typically through the transformation of existing organizations, but also through the replication of such transformations and the creation of new hybrids. This may become institutionalized in law e.g. the Italian social co-operative legislation (in 1991). This paper is concerned both with the former transformations and the institutional changes which consolidate or facilitate the development of hybrids. It argues that there are two dynamics in the hybridization process of existing organizations: *internal* and *contextual*. Internal factors include oligarchic tendencies (the power of managers and staff dominance), decline

in member participation, and the growth of 'commoditised' member relations: the tension between business and mission-related activities (and their separation through trading subsidiaries or board roles). And the external context, particularly economic challenges of neo-liberalism, and globalization, will have varying influence on the particular form of a hybrid co-operative structure, e.g. for agricultural co-operatives. In other areas where welfare services are being neo-liberalized co-operatives entering that new market may be reshaped in similar ways to other major welfare providers like for-profits or non-profit associations (Defourny, 2001), and become social co-operatives. Thus, they are subject to isomorphic pressures from either the state or the market (from dominant organizational forms, etc.).

Scholars adopt different approaches to hybrids and hybridization, frequently referring to the need for the hybrid to combine different institutional forms in a new structure, particularly where tensions between social and economic/business dimensions need to be managed. This paper draws on scholarship on hybrids in the third sector (e.g. EMES Network's Evers, 2007; Laville & Nyssens, 2001) and builds on early work by scholars on co-operative hybrids, as well as more recent work on third sector hybrids including social enterprises (e.g. Billis, 2010; Spear et al, 2008). Using secondary research methods, it attempts to clarify some of the origins, forms, and issues of hybrids, and some of the ways in which such organizations attempt to manage some of the tensions and challenges that lead to hybridity—particularly with regard to finance and membership. Finally, the paper considers the extent to which hybrids are an inevitable response to sustained isomorphic pressure from the state and market or whether there are some hybrids which manage to sustain their distinctive co-operative identity in certain respects, as indicated by Aiken (2001).

Major surveys of co-operatives have considerably clarified key characteristics of their identity. The most recent and most influential has been the ILO (2017) report produced for COPAC, by Bouchard et al. with a Technical Working Group. They differentiate between a common core and peripheral criteria of a co-operative, and discuss boundary issues in defining co-operatives, including hybridity and isomorphism. Hybrids include co-ops which have issued shares to non-members, as well as co-operatives of co-operatives, co-operative networks, and co-operative groups, and holding structures, where co-operatives have a controlling interest in non-co-operative enterprises, including subsidiaries.

Forms of Co-operative Hybrids

This section examines different types of adaptations of the co-operative form across several countries, mainly but not exclusively in Europe where there was a wave of reviewing activities, and revisions to legislation in the 1990s to address financial and competitiveness problems that co-operatives appeared to be confronting. It looks in particular at institutional changes, but also considers other trends in practices that have become pronounced. First, there have been a number of adaptations towards a more economic business model of co-operatives through adaptations of membership, and finance; second, there have been some trends which increase managerial control. By contrast, there have been some developments which bridge socio-economic divides and strengthen the inclusive dimension of co-operatives through multi-stakeholder structures, and more mutualistic financial adaptations; finally at the multi-organizational level, there have been on the one hand a business-driven adaptation towards holding structures, and on the other hand a mutualistic association between co-operatives—the consorzi or grupos (local federal

structure). These patterns of adaptation are clustered into five categories below:

Membership adaptations

- Changes in voting rights
- Transactions with non-members
- Restrictions on the openness of membership
- Extent of capital investment by members

Financial adaptations

- Openness to Financial members
- Partial adoption of stock company models
- Financial instruments: Issuing of shares/bonds on the market
- Financial instruments: Differentiating shares (and voting rights):

Managerial control

- Decline in member participation
- Separation of membership and business structures and issues.
- Governance deficiencies
- Control by staff and managers
- Mission and process drift

More inclusive and mutualistic patterns of adaptation

- Broadening membership to multi-stakeholder model
- Asset lock and capitalisation of collective reserves

Multi-organizational adaptations: beyond the unitary organization

- Holdings
- Consorzi

The paper examines each adaptation in turn, examining the dynamics (drivers and brakes) of such developments, and bringing out both internal and contextual factors that lead to such adaptations:

- To accommodate heterogeneity of membership
- To expand the market or to manage uncertainty in demand or to capture benefits for the few (members/managers)
- To raise capital and motivate members financially
- To raise finance (or improve manager rewards)
- To increase management control
- To be more inclusive and access new welfare and public services markets
- To access finance in mutualist adaptations
- To support growth, diversification, and sustainability

Membership Adaptations

Changes in voting rights

A number of countries have seen changes to voting rights to give more influence to members having larger transactions with the co-operative. In France since 1953 the SCOPs have the possibility of differential voting rights proportional to the length of service; the Banques Populaires could allocate voting rights in proportion to invested capital. Although the principle of one member one vote is the norm, it is often accepted that, for example in France, co-operatives may adopt different rules by entering these into their by-laws (Chomel & Vienney, 1996, p. 96). This seems to have been adopted by some agricultural co-operatives and in the Basque and Catalan autonomous regions

the 1992 co-operative legislation allows voting based on the level of member co-op trading activity (Monzon et al, 1996). In Belgium since 1991 associates (such as employees) may cast up to 10% of the votes, substantially driven by the need to accommodate heterogeneity of membership.

Transactions with non-members

The importance of the membership dynamic in the reproduction of co-operative relations has been emphasised by Stryjan (1989). But there has been a general trend to increase transactions with non-members in many countries. For example, although in the 1947 French legislation trading with non-members was forbidden, this provision could be waived. After the 1970s in France this trend developed further, allowing more and more trading with non-members—particularly consumer co-operatives, worker co-operatives, and co-operative credit institutions (Chomel & Vienney, 1996). In the Mondragon worker co-operatives as the pressure for work flexibility has increased, so have the number of part-time/casual non-member workers; this has become such an issue that they are considering differential member rights for these workers.

In Italian co-operatives legislation, a principle of predominancy in relation to such issues has become established (Fici, 2010):

The condition of predominancy must be analytically documented in the “integrative note” to the balance sheet, by underlining the following parameters (see art. 2513, c.c.):

a) in consumer co-operatives, sale proceeds from members consumption must be superior to 50% of total sale proceeds;

b) in worker co-operatives, labour costs for members jobs must be superior to 50% of total labour costs;

c) in production co-operatives, manufacturing costs for goods and services provided by members must be superior to 50% of total manufacturing costs.

A similar principle applies to agricultural co-operatives in relation to the proportion of goods supplied by members.

This predominancy principle is linked to limiting the self-interested tendency for restrictions on the **openness of membership** (ICA Principle 1); so that members secure more benefits for themselves—for example in consumer co-operatives where the dividend is shared only amongst members, or worker co-operatives where more flexible work arrangements (casual, part-time, temporary) are readily accepted as a way of managing uncertainty. This adaptation has been substantially driven by the need to expand the market or to manage uncertainty in demand or to capture benefits for the few (members/managers).

Extent of capital investment by members

In some co-operatives, for example in the UK, there has been an emphasis on nominal capital stakes in a co-operative; this is seen as egalitarian, and consistent with the principle of openness of membership. [Note: raising finance via existing members with little capital of their own frequently takes place indirectly in the start-up phase of a new co-operative via sweat equity.]

This may be contrasted with changes to legislation in parts of Europe to allow more member investment into a co-operative. And the Mondragon co-operatives emphasize the importance of a substantial capital stake by members in

order to strengthen the motivation and improve the financial stability of the co-operative. This Mondragon model with substantial member capital investment is similar to employee ownership models developed across Europe and the USA, some of which function like co-operatives. The New Generation Agricultural Co-operatives also make a virtue out of a high level of capital investment by the member. See Box 1.

Box 1. New Generation Co-operatives

A co-operative is a legally incorporated business arrangement that provides for the control of the business by its membership. A new generation co-op (NGC) is a type of co-operative that uses a system of delivery rights and obligations to encourage business loyalty and provide a form of vertical integration (Harris et al,1996). NGCs are particularly suitable to ventures involved in value-added agricultural processing and marketing.

Based on a model first used in California, NGCs emerged and flourished in the mid-western US in the 1990's. Since that time, all three Canadian Prairie Provinces have introduced new laws or modified existing legislation to allow for NGCs. Alberta's Cooperatives Act, (effective on April 2, 2002) defines NGCs in sections 422 to 429.

There are some key attributes of NGCs that are consistent with all co-ops:

- NGCs are controlled by their membership using the principle of one member, one vote
- Earnings are distributed to the members based on patronage.
- The board of directors is elected by the membership.

However, there are several characteristics of NGCs that differentiate them from traditional co-ops:

- NGCs may issue designated shares which carry delivery rights and obligations.
- Individuals (members and non-members) may hold higher levels of equity through the purchase of investment shares.
- Membership may be restricted to designated shareholders.
- In Alberta, NGCs are applicable only to agricultural ventures, and the word "co-op" or "co-operative" does not necessarily have to appear in the name of the venture.

In general, New Generation Co-ops are typified by restricted, project-oriented enterprises which require significant investments from their members, and a membership which strives for increased profits and return on capital through their investment. From Alberta Provincial Government website: [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/bmi6646](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/bmi6646)

This adaptation has been substantially driven by the need to raise capital and motivate members financially.

Financial adaptations

There have been several financial adaptations to the co-operative form and use of the stock company model, mainly to access finance, but also possibly to reward managers.

Openness to Financial members

Rule modifications have allowed financial members in a number of countries in Europe during the 1990s (Monzon et al, 1996). In Italy, the 1992 reforms raised limits on members' social capital, and allowed financial members to have up to 33% of voting rights, and up to 49% of seats on the board. In France the 1992 Act allowed co-operatives to issue shares up to 35% of the capital base; and voting rights amongst financial members were proportional to capital owned. In Spain, the 1995 Law allowed co-operatives to raise equity up to 33% of capital employed, with a limit of 35-45% of votes for financial shareholders (depending on region); and there was no limit on the return of dividends. However, as Fici (2010) notes, these financial members have not originated outside the co-operative world, but instead have been sympathetic to its values and principles.

Partial adoption of stock company models

In the agricultural sector hybrid forms have developed where the co-operative is partially converted to a stock company to allow outside investment by private investors. Initially this may provide majority control by the original members, but over time increasing investments from outside financial shareholders have led to their dominating the new structure. See Box 2 on the Kerry Group. [This kind of strategy was adopted by the world's largest dairy company, Fonterra, the New Zealand agri-food co-op with 10,500 member farmers and turnover of \$14.15bn.] (WCM, 2020)

Box 2: Kerry Group Case¹³ (now Pilgrim's Pride)

Kerry Group is a successful, publicly traded, multinational corporation with some 41m. shares. It is a leading player in the global food industry, with operations in fifteen countries across four continents; most of Kerry Group's Euro 4.96 billion turnover (in 2010) is now outside Ireland. It operates through three separate corporate entities: Private Dairy Processor, Dairy Co-operative, and Public Company. It was formed as a private company in 1972, by a mix of private, public, and co-operative shareholders financing an IR£800,000 dairy processing facility in Co. Kerry, for manufacturing milk protein (casein) for export to the U.S.A. When Ireland joined the European Community in 1973, pressure for the merger of many small dairies in Ireland intensified, and Kerry acquired the State-owned milk processing company and its creameries and linked up with six independent co-ops to form the Kerry Co-operative Creameries Ltd (Kerry Co-op) which began trading in January 1974 with the original private company as its subsidiary. Thus, Kerry began as the smallest of Ireland's six major agricultural co-operatives and for the next 5 years expanded its milk business profitably and acquired some independent dairies.

But in 1979 Kerry County was selected as a pilot area for a bovine disease eradication scheme, and milk production was depressed due to wet summer weather in 1979 and in 1980; at the same time, it was engaged in a major capital expenditure programme on its processing plant. This crisis provoked a realisation that it would need to reduce its reliance on dairy products and diversify into more 'value added' activities. In 1980 it developed a five-year corporate plan with research and development and international expansion priorities. Its development of the organisation and substantial graduate recruitment programme gave it substantial capabilities for an acquisition programme. The Co-operative diversified into the convenience meat products business and into beef processing and opened US and UK headquarters. Kerry continued its diversification programme in higher value-added areas of the food business, but it lacked the capital required to fund the level of growth commensurate with its strategy.

In 1986 shareholders of Kerry Co-operative approved their directors' recommendation that Kerry Co-op should seek additional financial investors and change its structure to facilitate this. It was the first to make such a change within the co-operative sector in Ireland. It formed a Public Limited Company (Kerry Group plc) and the majority of its 90 shares were issued to the Co-operative. Later a public offering of shares was made, and they were listed on the Dublin stock exchange. Higher growth was then achievable through acquisitions. It acquired Beatreme in 1988 which gave access to world markets. Since then, Kerry's food ingredients business has grown rapidly, and it has broadened its technologies with acquisitions in the UK, France, Italy, Germany, the Netherlands, Poland, Hungary, the USA, Canada, Mexico, Brazil, Australia, New Zealand, and Malaysia.

At the end of 1997, Kerry Co-operative Creameries Ltd held 38% of the shares in the Kerry Group plc; by the end of 2006, this had reduced to 28%. And by the end of 2010, the Co-op held a 23.7% holding in Kerry Group plc, partly because of new share issues by the plc, and partly because of distribution of KCC shares to its individual members. But there has been increasing pressure to convert the KCC shares to ordinary plc shares. The KCC holding has dropped further since in August 2011, KCC voted a rule change, allowing a reduction in its shareholding in Kerry Group to fall below its current 20% threshold; in 2021 it was 11.7%, and in June 2021, Pilgrim's Pride, the US Foods multi-national bought most of the food business.

13. Case study conducted by author, largely based on annual reports.

Financial instruments: Issuing of shares/bonds on the market

Apart from the above adaptations to raise finance (opening to financial investor members and using a stock company model to raise finance through share issues), there have been increasing attempts to raise finance from members through shares or loans, for example, in the Italian 1992 legislation (Zevi, 1996). It is also possible to issue non-voting preference shares to sympathetic supporters in many countries; the UK has seen increasing use of this device, for example. There is considerable interest in new financial instruments that can mimic flexibility of share capital, such as 'patient' capital which allows some flexibility in repayment (Mendell & Nogales, 2009).

Differentiating shares (and voting rights)

When co-operatives adopt stock company structures, one strategy has been to differentiate between the voting rights on types of shares with the co-operative members maintaining control through their ownership of the class of shares with substantially more votes. An example was the Saskatchewan Wheat Pool, a co-operative which used a stock company structure to access capital on the stock market; it had Class A shares with voting rights (non-tradeable, only for members) and class B shares (tradeable preference shares listed on the Toronto stock exchange). After some difficult years due to poor commodity prices, there was pressure for consolidation in the sector, and in 2007 it eventually took over Agricore United, changing to a conventional corporate structure, initially trading under the name Viterra, before being taken over by Glencore.

Note that similar differentiated shares have existed in the *voting* shares of some of the largest publicly quoted companies; for example, the telecoms company Ericsson used to be controlled by Investor (vehicle for the Wallenberg family) and

Industrivarden which together had 50.2% of the votes with only 5.9% of the capital. These adaptations have been substantially driven by the need to raise finance (or improve manager rewards).

Managerial control

A wide range of theories and evidence supports this tendency, although most adaptations are not so much legal changes, as trends in co-operative practices.

Decline in member participation

Spear (2004) provided considerable evidence that user-based co-operatives (consumer co-operatives and credit unions) frequently have a very low level of member participation at AGMs (in the range 2% to 5%).

Separation of membership and business structures and issues

Blomqvist & Bok (1996) document changes to Swedish consumer co-operatives that can also be seen in user-based co-operatives in other parts of the world. Gradually in the second half of the 20th century the status of members declined until they were regarded only as "significant" customers among others. As consumer protection legislation increased, and consumer protection agencies increased their activities, so co-operatives allocated fewer resources for general member/consumer policies. This resulted in declines in the following activities: consumer research units, magazines and weeklies for consumer debate, consumer information and education, member relations. In this way membership has become a more marginal area of activity, and the co-operative identity has considerably reduced significance to the consumer.

Governance deficiencies

Brazda & Schediwy (1996) described an astonishing decline in democratic governance of Konsum Austria (a large

consumer co-operative) during the 80s and 90s until “[t]he board of the co-operative consisted entirely of professional managers with the general director as the president” (p. 46). Its eventual failure is perhaps not surprising. Spear (2004) provides a theoretical analysis of why co-operative boards have less capacity to control managers than stock company boards (difficulties forming coalitions of members, low member participation, no institutional investors). Various co-operative codes of governance have attempted to address governance deficiencies, but the issue remains to be fully addressed. Fici (2010) describes three systems of governance under Italian co-operative law, including a dual system (which is not the most common) but which considerably limits member control (p. 19).

Control by staff and managers

Considerable theoretical and practical evidence supports the view that many co-operatives are run by managers rather than members. Michels (1949) in a different context argued that democratic structures are subject to an “Iron law of Oligarchy,” where for reasons of expertise, communication, and conflict resolution, an elite (often managers) will come to dominate such structures. Meister (1977) developed a lifecycle model where managers come to take control of associations. Cornforth (1989, 1995) developed a degeneration thesis where a managerial elite tends to take control of a co-operative; both external and internal factors lead to a degeneration of democracy. These tendencies towards management control are facilitated by the ease with which staff and managers can become members in a wide range of co-operatives; for example, in France, legislation in 1972 allowed employees to become members in agricultural co-operatives.

Mission and process drift

Cornforth et al. (1989) showed how co-operative values and practices can degenerate over time due to isomorphic pressures from private markets which combine with oligarchic tendencies to change the organisation. This trend driven by the pressure to increase management control undermines the co-operative membership dynamic. However, this may be reversible, as Langmead (2016) and Diamantopoulos (2012) have argued.

More inclusive and mutualistic patterns of adaptation

Broadening membership to multi-stakeholder model

The social co-operative model in Italy (Borzaga & Santuari, 2001) may be considered a new hybrid by adopting a multi-stakeholder governance structure (cf. the single stakeholder structure more typical of co-operatives). This could be interpreted as isomorphic with the voluntary/non-profit sector. Other examples include UK public service co-operatives which have developed multi-stakeholder structures such as for managing leisure facilities (e.g. Greenwich Leisure) (Spear et al, 2008).

Entering welfare and public services markets may require adapting structures and practices to achieve legitimacy. This may involve NEDs (non-executive directors) with contracting expertise, and mechanisms like municipality representatives on the board, etc. Some new social co-operatives may be spun out of state provision, and a key challenge is developing these organizations for market challenges and culture change, moving away from bureaucratic processes and structures, and reconfiguring and balancing powerful interests like trade unions, professional staff, and managers against users’ interests. In such markets there has also been changing orientations towards users—from users as citizens engaging in municipal democracies to

users as consumers, but with increasing interest in developing new forms of user participation on boards, via consultative mechanisms, etc. For example in the UK Section 11 of the Health and Social Care Act (2001), requires organizations to involve and consult patients and the public in decision making about the National Health Service operations. Developing appropriate mechanisms to involve users is often said to be a priority, but notoriously difficult to achieve; staff involvement is easier but still a challenge (particularly at lower levels), requiring supporting policies from recruitment and induction onwards. In the consumer sector we have seen some examples of multi-stakeholder structures with staff as members e.g. in Eroski in the Mondragon complex.

Note: Multi-stakeholders' structures may exist in a formally undifferentiated form, e.g., savings and loans mutuals with savers and lenders as two undifferentiated types of members; however, there may be some issues of heterogeneity of membership that need addressing, since the ease of entry of new savers to become members facilitated demutualisation of UK financial mutuals. We can also note the use of volunteers within social co-ops, which could be considered part of a similar development (towards non-profit models) both for achieving legitimacy, and developing social capital. These adaptations (towards multi-stakeholder hybrids) have been substantially driven by the desire to be more inclusive of socially-culturally diverse and disadvantaged groups, and to access new welfare and public services markets.

Asset lock and indivisible collective reserves

By contrast, some financial adaptations are more consistent with traditional co-operative values and principles. Thus, in the UK after the wave of demutualisations in the 1990s, legislation was changed to make this more difficult; new legislation for the social enterprise—the community

interest company (which has a co-operative version)—has an asset lock so that on dissolution of the organization the assets pass to another social enterprise.

Contributions to indivisible reserves are an important part of any co-operative's financial stability; but fiscal measures to support this have been challenged by the European commission. There appear to be different national practices on whether co-operatives can capitalise these reserves to raise finance.

This adaptation has been substantially driven by the desire to develop more mutualistic ways to access finance.

Multi-organizational adaptations: Beyond the unitary organization— Holdings and Consorzi

In many sectors holding structures have developed where a co-operative grows and diversifies by developing a line of business which is a wholly owned subsidiary of the co-operative, using a conventional company structure. But the alternative, more co-operative solution to the issue of growth is networking, partnership, and collaboration between co-operatives (consistent with the principle "Co-operation among co-operatives"). The most typical form of collaboration is through the federal structure (local or sectoral), and this has also increasingly been recognised.

Holding structures, where the co-operative takes whole or partial ownership of capitalist structures (subsidiaries or joint ventures), allows it to replicate capitalist globalisation strategies. The holding structure of subsidiaries offers some advantages to find a way round the strategic limitations of the co-operative form. It allows co-operatives to acquire businesses and dispose of them more easily; but the form of payment (which would often be non-share based) is less advantageous for co-operatives; and the

lack of co-operative values and practices in such structures eliminates some of the competitive advantage of co-operation. The UK Co-operative Bank, a subsidiary of the consumer Co-operative Group, has shown, however, that it is possible to demonstrate ethical values in its product/services. A further disadvantage from the point of view of co-operation is that holding structures are often less accountable to members, and members (or their representatives on boards) have less influence on activities of subsidiary companies. However, this issue may be addressed through changes both to governance (and related codes of practice) and reporting/accounting standards and practices.

Federal structures are common amongst co-operatives and in some ways parallel the corporate holding structure of conventional businesses, but since there are no ownership rights, control is much weaker. Nonetheless federal structures may overcome some of the growth and size weaknesses that co-operatives face. They do this by joint marketing, joint buying, and providing central services. Under Italian law (Fici, 2010, p. 20), 3% of profits should be contributed to mutual funds administered by co-operative federal bodies, with the aim of supporting the development of co-operatives. At the local level we see such federal structures—in Italy, “consorzi” and in Spain, “grupos”—both supported by legislation. This raises the question about the most appropriate unit of analysis for such multi-organizational structures: either an organization within a network or a federal network of organizations? (Menzani & Zamagni, 2010). These adaptations have been substantially driven by growth, diversification, and sustainability mutualist goals.

Political Activity and Co-operatives

Political Hybrid?

It is hardly surprising that co-operatives, many of which were born out of, or closely allied to, socio-political movements, should retain strong ideological elements influencing their values, structures, and operation. This has resulted in a continual debate about the advantages of political neutrality vs political allegiance. The dominant official position has been to favour political neutrality. Nonetheless there is sufficient evidence to indicate a fourth hybrid—a **political hybrid** where movement politics and ideology create strong linkages with political structures. These hybrids are politically driven by the career interests of elected board members who are linked to political parties and interest groups. Schediwiy (who led an impressive study of consumer co-operatives with Brazda, 1989) argues (personal communication March, 2011) that these board members often lack business skills, but compensate with political influence and public relations skills. The combined effect can be poor governance, not recognising and addressing difficult issues. Examples include Finland’s E-Movement consumer co-operatives (E stands for “progressive” in Finnish), where the co-operative movement was not only a democratic economic endeavour, but was also a forum for political activity, and a base for political careers, where its close links with social democrat & communist parties, trade unions, and government were for mutual advantage.

In a quite different context, Baviskar (1980) finds a positive political dynamic between the board members of the Maharashtra sugar co-ops and local politics—beneficial for individual political careers and good for the co-op, helping build alliances between different categories of members; through linking social capital, it integrates the co-operative into wider political networks.

The UK must be one of the few countries where political activity of the co-operative movement has led to the establishment of a representative political party. The Co-operative Party, founded in 1917 mainly to represent the consumer co-op movement in parliament, affiliated to the Labour Party in 1927. In 2019, there were 26 Co-operative MPs elected to the House of Commons, with 16 Members in the House of Lords, together with 16 members in the Scottish Parliament, and 11 in the Welsh Assembly, as well as a few hundred representatives at local political levels. Co-operatives may be corporate members of the Co-op Party, which also has individual membership of 8,187. The Co-op Group (2020 membership of 5.8m) paid an annual subscription of £625,600 in 2019 and additional sums in service agreements, and donations. Total income of the Party in 2019 was just over £1.25m.—largely made up of corporate and individual subscriptions, donations, and service agreements for managing political services. Smaller regional and other co-ops contributed substantially smaller sums. The Co-operative Group is a member of the Co-operative Party, and vice-versa. Members of the Co-op Party should be members of co-operative societies, but there appears no direct involvement in the selection of parliamentary candidates. And there is no implication that the Co-op Party attempts to influence the co-op sector unduly.

Similarly at the local/regional level, there are examples of strongly political co-operative societies; in particular, Rhodes (1999) account of the Royal Arsenal Co-operative Society reveals a co-op directly affiliated to the Labour Party (rather than via the Co-op Party), employing a political secretary (some of whom have gone onto the highest level in the co-operative/labour movements) and publishing political magazines (*Comradeship* and *Together*), with elected officials strongly linked to regional/national political bodies.

In Italy, the four main co-operative federations are each linked to different political ideologies and affiliations, the two largest being the left-wing Lega Nazionale, and the Christian Democrat ConfCooperative for Catholic co-ops, along with the substantially smaller Associazione Generale linked to the Republican Party, and UNCI (Unione Nazionale Cooperative Italiane) linked to the Catholic church.

Of course, the private sector also often has strong political affiliations, through business associations, links to political elites, with elected politicians on their boards. But their overriding goal is economic, and the degree of external political influence is much less compared to some co-operatives like the Finnish consumer E-Movement Co-operatives (closely linked to social democrat parties and trade unions) in the post-war period:

As elections were the only open barometer of contending political forces in the E-Movement, all parties nominated candidates and took part in hustings. This opened the way for a growth in party importance as elections decided who were chosen for the societies' administrations and ultimately the central organizations' administrations.

E-movement leaders could articulate their economic interests through the left parties and, conversely, the organs of these parties were ever more closely involved in the decision-making process of the E-Movement (consumer co-ops). Later, in the sixties and seventies, no major organizational decisions were made without prior consultation at "party headquarters". (Ilmonen, 1986, p. 115).

The state/party control of co-operatives in communist countries has similarities with this type of political co-operative hybrid: the political elites which extended across key areas of the economy and government and society also provided career paths for individuals. But there were also important

differences. This was clearly top-down control by the party, often within a system of central planning, and typically using the nomenklatura system, where specified key positions were filled from a list nominated by the party.

Perhaps the post-colonial attempts by governments and NGOs to reinvigorate co-operatives and align them with nationalist and development objectives (Develterre [1994] on Caribbean co-ops evolution) are a category intermediate between the independent co-ops closely linked to political structures and those heavily controlled by the state/party machine. Most of the examples of political hybrids discussed have been those where co-operatives have emerged and become closely allied to contemporary socio-political movements (political/labour movements). How these relationships have evolved and become institutionalized in a context of deregulation and globalisation deserves further research and analysis.

Discussion/Analysis

There are two dynamics in the hybridization process of existing organizations: internal and contextual. First, internal factors like oligarchic tendencies (the power of managers and staff) lead to decline in member participation, and the growth of 'commoditised' member relations; the separation of business and mission activities, e.g. through trading subsidiaries, or board roles. Second, the external context influences the particular form of hybrid co-operative structure. For example, a co-operative moving into

welfare service provision may be reshaped in similar ways to other welfare providers like non-profit associations (Defourny, 2001)—and become a social co-operative (in welfare and work), as well as being subject to homogenising influences from other social co-operatives, and federal bodies. Isomorphic pressures through mimetic or coercive processes (Di Maggio & Powell, 1991), can also lead to hybrid adaptations in different directions, linked to the dominant model such as private business in the market, or linked to the state, and third sector (non-profit) forms of organization in quasi-markets (ILO, 2017).

Co-operative variations around an ideal type

In their analysis of governance in social enterprise, Spear et al (2008) adopted a *path-dependency approach* to analyze issues that different kinds of third sector organizations faced as they moved from different origins into social enterprise activities. In a similar way, different co-operative hybrids may be seen as emerging from different paths. In this case the starting point conceptually is the co-operative ideal type specified by the ICA co-operative identity statement and its principles (see Appendix) in an ideal type of member controlled democratic enterprise. Adapting Billis' diagram (2010) and drawing on the above analysis of adaptations of the co-operative form, in terms of institutional changes and practices, this shows the paths taken by different co-operative hybrids. [Note type 4 represents partnership arrangements between co-operatives and the public sector—more typical of countries where the co-operative sector is state protected and carries out some state policy.]

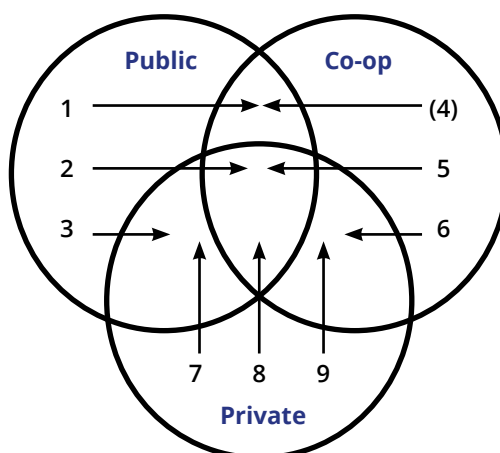


Diagram1: The three sectors and their hybrid zones (Billis, 2010, p. 57)

This paper contends that there is one ideal type of co-operative—the democratically controlled mutual co-operative (Fici terminology, 2010)—which fits with the ICA co-operative identity statement, and that there are three broad types of hybrids that have emerged due to neo-liberal and globalisation pressures:

- Manager controlled co-operatives (mutual, but member participation and governance weak).
- Business co-operatives (emphasize strong business orientation, manager controlled, membership restriction, and financial adaptations); (No 6 in Diagram 1).
- Public/welfare service co-operatives such as social co-operatives (adaptations to membership to access neo-liberalised (privatised) public/welfare service markets) (No 5 in Diagram 1). [NB arrows 1-3 & 7-9 are not relevant to this discussion.]

The Co-operative ideal type

Co-operatives emerge from different historical and contextual developments, so it is not surprising that there is diversity in the way in which they become institutionalized nationally and internationally. Attempts to establish some kind of international isomorphism

through the ICA and the EU will have some influence, but some degree of diversity will inevitably remain. Indeed, it could be argued that there are competing (contested) attempts to institutionalize different “ideal types” nationally and internationally. Thus, for example, a prominent academic ideal type of co-operative is that of pure economic co-operation (idealised through neo-classical economic discourses), with no social dimensions as advocated by other co-operative and social economy theorists. It is also interesting to note how the international ideal type as represented by the co-op principles has developed historically—see Appendix. This raises interesting points about whether there is only one co-operative ideal type, and the extent to which the evolution of the co-operative ideal type itself represents a process of hybridization and institutionalization. This paper gives primacy to the legitimating role of the international body (ICA) in institutionalizing the co-operative ideal type.

Co-operatives generally vary in the extent to which they embrace the different principles: open membership is rather circumscribed in many worker co-operatives; many co-operatives are not particularly focused on co-operation with other co-operatives; many have fairly low member participation; many do not invest in member education; many are heavily

influenced by the state. Thus in effect the co-operative form may be seen more accurately as an ideal type where the 7 principles are achieved by co-operatives to varying degrees in practice.

Thus, for example, although many co-operative sectors have federal structures, and some degree of networking supported by wider institutional measures, more developed patterns of “co-operation amongst co-operatives” can remain a lofty ideal, either because of extreme competition in markets, an economic preference for more appropriate partners by inward looking co-operatives, or because of low trust and a lack of common identity in a specific community or region.

A third factor in the variation of co-operatives around the ICA ideal type is that legislation, its interpretation, and its regulation is applied differently in different countries with distinct legal traditions. For example, in Italy ICA Co-operative Principles 5 and 7 are not enshrined in

the legislation (Fici, 2010), and there are also regional variations. The Mondragon Co-operatives have 10 principles which diverge slightly from the ICA model.

Other countries without specific legal frameworks for co-operatives (such as the UK), generally have legal structures designed for third sector or social economy organizations. In the UK, these are Industrial and Provident Societies or Companies limited by Guarantee; they are very flexible structures and are readily drafted to co-operative principles. Various federal bodies provide model rules/constitutions for those interested in using these legal form—and are thus key institutions in constructing co-operation, and embedding co-operative principles in the legal framework adopted. But the models used may not comply with all the ICA principles. And there are more radical adaptations, such as the ICOM¹⁴ model rules for collective worker co-operatives, where management functions collectively through a weekly general assembly.

14. ICOM, the Industrial Common Ownership Movement, represented the new wave of UK worker co-operatives that flourished in the 1970s and 1980s; it later merged with Co-operatives UK federation.

Conclusion

This paper has described several types of adaptation of a co-operative: membership, financial, and management control; at the multi-organizational level: consorzi or local federations, and holding structures. These adaptations have been developed to adjust the co-operative form to market changes (globalization) and entry into new neo-liberalised markets, and they have been driven by senior managers within the organization. The paper argues that some of these adaptations have led to hybrids (typically mixing private/co-operative forms), whilst other adaptations have been hybrid adaptations within the social economy. In many of the cases discussed, while there is a clear trend of isomorphism towards the conventional business form, there may also be a degree of mimetic activity within the co-op sector and internationally, as a hybrid evolves. And new hybrids become institutionalized through new legislative measures. Thus, there may be an episodic pattern of hybridization and institutionalization where new forms become institutionalized through legislation. This view fits with the general perspective that different sectors—public, private, third—are extensively hybridized.

The paper argues that innovative adaptations have established new hybrid co-operative forms; these are adaptations of an ideal type of co-operative: the democratic member-controlled trading organization. The paper adopts a path-dependency approach to describe how adaptations follow a path to form three broad types of co-operative hybrids:

- Manager controlled co-operatives (mutual, but member participation and governance weak)
- Business co-operatives (emphasise strong business orientation, manager controlled, membership restriction, and financial adaptations, etc.)
- Public/welfare service co-operatives such as social co-operatives (adaptations to membership to access public/welfare service markets).

A political hybrid was also examined with considerable supporting evidence, but further work needs to be done to examine the characteristics of this possible hybrid.

The paper also notes how the co-operative ideal type may have a number of variations (national/regional/historical), but still retain its essential democratic member controlled *ideal form*. However, some hybrid forms clearly limit democracy and member engagement, others (such as the social co-operative) embrace inclusivity and co-operative values. A critical concern with hybridization processes is for co-operatives to be true to their principles and values, and bridge the divide.

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Appendix: Historical development of co-operative principles

Original (Rochdale) version (1844)

1. Open membership.
2. Democratic control (one person, one vote).
3. Distribution of surplus in proportion to trade.
4. Payment of limited interest on capital.
5. Political and religious neutrality.
6. Cash trading (no credit extended).
7. Promotion of education.

Other features of the Rochdale system were also endorsed, but not given the status of Principles. These included:

8. Trading exclusively with members
9. Voluntary membership
10. Sale at current market price

ICA revision (1966)

1. Open, voluntary membership.
2. Democratic governance.
3. Limited return on equity.
4. Surplus belongs to members.
5. Education of members and public in co-operative principles.
6. Co-operation between co-operatives (to best serve the interests of members and their communities)

ICA Statement on the Co-operative Identity 1995

Definition

A co-operative 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.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

ICA Principles 1995

1st Principle: Voluntary and Open Membership

2nd Principle: Democratic Member Control

3rd Principle: Member Economic Participation

4th Principle: Autonomy and Independence

5th Principle: Education, Training and Information

6th Principle: Co-operation among Co-operatives

7th Principle: Concern for Community

Source: ICA website: <http://www.ica.coop/coop/principles.html>

Creating Space for Economic Reconciliation¹⁵

Mary Nirlungayuk, Louise Champagne, and Wanda Wuttunee

Judith Harris, CASC/ACÉC President, moderated and welcomed everyone to the first session on the program of the Canadian Association of Studies in Cooperation/L'Association canadienne pour les Études sur la Coopération (CASC/ACÉC) conference 2021, focussing on creating space for economic reconciliation. She acknowledged that we were located on Treaty 6 territory and the traditional homeland of the Métis at the University of Alberta and this is the traditional gathering place for many Indigenous peoples including the Cree, the Blackfoot, the Métis, the Nakota Sioux, Iroquois, Dene, Ojibway/ Saulteaux/Anishinaabe, Inuit, and many others whose histories, languages, and cultures continue to influence our vibrant community. She also recognized that June is National Indigenous History Month and in addition to recognizing the Indigenous peoples on whose lands our institutions are situated all across Canada, we also need to acknowledge the confirmation last week of the burial site on the grounds of the former Kamloops Indian Residential School of 215 children. While it is difficult to imagine the pain and grief that their families and communities are experiencing, we seek to honour their lives by not forgetting their stories. Grief must lead to action and we as individuals and members of communities and institutions must summon the will to create a just society, country, and world.

What is the nature of economic reconciliation and how do we come together in our understanding of and participation in a caring economy? The idea for this session came from an article on Louise Champagne and Neechi Foods (Rebecca Chartrand "Mother of Indigenous Social Enterprise" in *Grassroots News*, Sept. 17, 2020). The article focuses on the concept of "Economic Reconciliation and Indigenous Social Enterprise which at its roots aims to address issues of racism." The Indian Residential School system, forced relocation of First Nations and provisions in the Indian Act policy "made it near impossible to participate in the growth of the economy." This session (and this article) is an important contribution to the task of bridging divides to create space for economic reconciliation, for socio-economic and cultural justice.

15. <https://www.youtube.com/channel/UC30QOYrxzP6tM8TsNcDMARA>

Our panellists and authors are Mary Nirlungayuk who is Vice-President, Corporate Services, corporate secretary for Arctic Co-operatives Ltd; Louise Champagne, the co-founder of Neechi Foods Co-op in Winnipeg; and Wanda Wuttunee, professor from the Department of Native Studies at the University of Manitoba. We met in advance to help focus the panel discussion. Each of the panelists presented for about five to six minutes before a panel discussion on three key questions and then some time for audience questions. They also had a question for the audience—What creative solutions for economic reconciliation do you bring to the table?—so something to reflect on while we listen to the presentations and while we read the article.

Mary Nirlungayuk

Thank you for that introduction as well as the acknowledgement of the 215 children. In that sense it's been a hard week or weekend for a lot of people in the Indigenous community. It is very fitting with this topic of reconciliation that I am from the Arctic and I'm talking from an Inuit perspective. As we know, across Canada we tend to be called Indigenous; however, we are very diverse across Canada and this presentation is really from the Inuit perspective, talking about economic reconciliation from our Arctic co-operative and Arctic perspective in the 21st century. It took this long to get recognized in the business sense so I appreciate having the opportunity to share the Arctic perspective on this topic today. I'm looking at it from the Arctic Co-operative point of view and the membership in Arctic Canada—anywhere from Grise Ford and Sachs Harbour in Nunavut and NWT to Old Crow in Yukon. This is our member base and in the high Arctic it's important to acknowledge this as well because they come from the perspective of the business and the diversity of the land mass of Arctic Canada. I can't emphasize this

enough because these are remote, tiny little communities—anywhere from 120 to 7 500 in Iqaluit. My home community (Kugaaruk) is a little over a thousand community people in there so very tiny remote communities but we're able to do the business and reconciliation means to us that we've been here right from the beginning of the communities that were established 60 years ago. It hasn't been that long in the Arctic perspective. Recognizing the homeland that was in the opening, recognizing Canadian First Nations to Métis and Inuit, in the Inuit community Nunavut tends to be acknowledged. In our language (Inuktitut) it's called Nunavut which means our homeland. That's our acknowledgement right from the get-go. In 1999 when it was split from the Northwest Territory region, we were wanting to be acknowledged from the Inuit perspective so that settlement was created in 1999 so that's just an acknowledgement.

From the governance perspective, Arctic Co-operatives has seven board members. They're from the community from all regions. I'm going to talk about that shortly and the representation geographically and the cooperation amongst the 32-member co-operatives and the concern for community. We were there from the beginning. What's important in this acknowledgement is that I didn't realize coming to southern Canada—and I'm based out of Winnipeg—that it was a reversal on my part. I didn't realize that Indigenous people in southern Canada were never there from the beginning. It's a reversal on my end so I have to adjust my thinking sometimes to get to where it needs to be.

The co-operative movement really had started from the arts. That was about 60 years ago and the arts became important: the carvings and the drawings and the wall hangings. Winnipeg Art Gallery just launched INUA (Inuit Nunangat Ungammuaktut Atautikkut or Inuit Moving Forward Together), the inaugural

exhibition of Qaumjug, its new Inuit art centre. This is part of the rich history that Inuit have. This is part of the reason why the co-operative movement in Canada started in Arctic Canada—the membership base in the Arctic. Our members are in the tiny communities. They elect the seven board members on Arctic Co-operatives. We have a district support advisor that advises between the board members in the community and the general manager. They're in businesses in retail, hotel, arts and crafts. Some locations have fuel distribution and the other thing is cable services. For other services we tend to partner with anyone from the airline to resupply partnerships—whoever we can partner with. For banking services, not every community has banking services. That's another area that we are partnered in. So, in the organizational chart, it's members—always members at the beginning.

Co-operative governance—this is huge on our end because Arctic Co-operatives Ltd. is owned by the 32 member locations. The members at the member communities are the ones that own these independent 32 member co-operatives. They have a membership and they have their own board members as well as annual meetings that once a year like the co-operative movement they use the seven principles as well—that's an organizational target.

As you see in these photos, voting on every decision that is made on behalf of the co-op system is important. We can't go forward without their approval so as a co-op system that's how the democratic structure works in the member location. They're there from the beginning of the decision making.

Early leaders of the co-op system are very vital to us as well in any business that is being made. This photo is in Pangnirtung Co-op in the Baffin region where they held their AGM. Just look at their being a co-operative and they return back

to the membership. This was several years ago and they returned about \$256,000 economic benefit back into the community. This is huge for the individual and this community is about 1800. For 1800 people that's huge on the economic return back into being a co-operative system from that perspective.

The other thing that I do want to cover is being a co-operative in the 21st century. They have retails and up-to-date infrastructure. These are the things that we invest significantly into the community. You'll notice I put this slide in in for a good reason. You notice the signage program that we have—they're also translated to the language of Inuktitut. I know that in Canada we tend to say "language of choice: in English or French." Okay, so what about the rest of our languages? That's another thing that we try to integrate into the business aspect.

Produce is held on the 21st century—the range of products is there. They are in the hotel industry. We call it the Inns North brand so they have up-to-date branding and up-to-date facilities they own. Arctic co-operatives don't own them; the members in the individual co-operatives own them. Other businesses started in the community include cable services, petroleum, restaurant and takeout restaurants, and building leases, construction in multi-purpose businesses in the community. These are tiny communities but they are able to provide these services when they're not otherwise available.

Investing in people is another one. It's huge on our end. Any small engine repair like a snow machine is the way in the community when you have to get around the community. We don't all have trucks; we don't have vehicles but small engines on snow machines, ATVs, quads, but who does the repair on those ones? That's part of the training we do as well—anywhere from the restaurants to small engine

repair for outboard motors. These are the things that we do in the training.

Inclusiveness. We have to be inclusive and always keep that in mind. The language and the culture, the celebration, the cultural representation—it has to be there all the time in the sense of when we're doing anything in the community. Cultural orientation is part of my job as corporate secretary. For anyone that is going into the Arctic communities on behalf of the member co-operative I do an orientation. Too often people go into the community without knowing the culture. It's a reversal of thinking as well as making sure that you're culturally oriented and I try to emphasize in an hour of orientation that is not good enough but it's what we do. I try to cover the culture, the climate, the wildlife, the environment, the fishing, and the family as well.

As we know, across Canada Indigenous people and the elders are respected, including in the Inuit community. We have to. This is a central point of the culture itself. So, one thing we have in the orientation is that when you go into the community, acknowledge the elders because they've been around a lot longer than the rest of the people in the community and they've seen a lot of changes.

I put this slide up here for a reason and it's a generation where being an Inuk we carry our babies in Amauti. They are raised in the hood. I know that raising the hood term is a different term in southern Canada, but we were actually raised in the hood, being in and growing up in the back of the Amauti.

Being relevant means making sure that we try to translate any materials to the language, in Inuktitut, in institutes or signage program. We try to translate them as much as possible. One of the things in trying to avoid missteps and common pitfalls before going into the Arctic community is being aware of the culture,

the environment, the region you're heading to, because every community is different and making sure that elders are respected, the harvesting month, the customs, and the language itself.

I went through this very quickly so I think this is the end of my presentation and any questions I think it's going to come in later so thank you very much, Judith.

Louise Champagne

Hello and thank you, Mary. That was a great presentation. I just want to let you know I'm from the hood too in southern Canada and Winnipeg!

I'm thinking a lot about this, this term reconciliation, and I think that one of the things that is fundamental about reconciliation is to recognize and acknowledge the damage that's done and that's been done and I think that we really have a long way to go on that front. I appreciate all the acknowledgements that have been happening at the beginning of meetings and I think that is really an important step of course because it makes a huge difference. I know it makes a difference to me when the people acknowledge that they're on Aboriginal land and Inuit land and that's an important piece to be reminded every time there's a meeting being opened.

It means a lot but I really think the acknowledgement of the damages is really fundamental and I'm thinking of course that I've experienced a lot of grief about the findings in the residential school that's opened up this week but I was saying to a friend the other day that I recall as a child being told that there are children buried in the ground around the churches and I don't think I'm unique in having heard that story. I think there's a lot of Aboriginal people who have heard that story that there are children buried around the churches and so, to hear this, what strikes me is that what does it take, you know, for

the rest of society here to acknowledge this damage. Like do you have to find the actual remains of people in order to be believed? Because I often felt that even after all of the inquiry and the testimony of the grief and pain people suffered that they were still not believed and until you know these remains were turned up. So this acknowledgement that damage was done but it also means going a little further to understand what was undermined, you know, what was, what was shifted and a lot, I think. You have to understand that the Aboriginal populations had economies, healthy, caring, and sharing economies that nurtured their communities and the introduction of this settler community was undermining that on many, many, many fronts and I recall even in my lifetime the concept of development and the concept of economic progress, for example, the development of hydro in Manitoba and the relocating—the Churchill River diversion it was called back in the 70s—well, I witnessed, at least I had an opportunity to fly over that area and I recognized the incredible damage that was done to the fishing industry and the hunting and, you know, it just totally undermined people's livelihood and then this was seen as progress, you know. So I think a whole rethinking of what was damaged and also on that basis moving forward to recognize how do you repair this damage? What is it that you have to do? And I think some of the questions that you're posing are really steps in a positive direction to have people think about what was damaged and where do we go forward?

The whole other point I wanted to make about what's positive change that's going on along with the acknowledgments that you're on Aboriginal land is the fact that a lot of young people that I've met over the number of years who are really doing their homework and they refer to themselves as coming from a settler culture and to me that's really impressive and significant that people acknowledge that where they're positioned in this relationship with the rest

of the world, you know, that there's this settler historic experience and as a result of that it impacts how you relate with the world and young people are beginning to acknowledge that and I think that's really, really positive. I'm not mindful of the time but I think I'll stop at this point and give somebody else a chance. Thanks.

Wanda Wuttunee

Good morning. Tansi. The name my grandmother gave me is Water Lily and I'm of the eagle people of the Eagle Hills, Treaty Six, Red Pheasant Cree Nation currently on treaty one territory and home of the Métis. I'm very pleased to be here and I'm so glad to hear Mary and Louise. My topic that I was asked to share on is social economy and I'd like to focus on one example in Manitoba. Social economy is looking of course at planet, people, culture, and profit in the context of development and the particular story that I want to share from Manitoba is the Indigenous social enterprise Aki Innovations Group as I find them really interesting. Going on their website, it's just a treat because of the approach that they're taking. They define social enterprise as an organization that applies commercial strategies to maximize improvements in financial sustainability, strengthen social impacts to maximize improvement in support of communities and environmental well-being by respecting the land. I like to look at the definitions that our own people have for what they're doing, so that's how Aki Innovations define social enterprise.

I'm pleased to share that the other thing that they talk about of course is what their main purpose is: to promote, encourage, and make social change in each of the communities that they work in. So I think acknowledging that they're change agents—and they say that on the website—they are true community change agents because they listen to communities to help them solve problems, create capacity, and create jobs. Part of the discussion today

is about community and so recognition by this group is, I think, a really important point to share. They also talk about the fact that they are solution providers and they seek to develop solutions that build opportunities, communities, and enterprises.

They published a social enterprise toolkit¹⁶ for a solutions economy targeting First Nations and in that report that came out in 2015 they talk about looking at the upside of down. Their examples of the downside, we see high unemployment in our communities; the upside is we have a great available workforce; downside high food costs but that gives the upside and that's a good margin to harvest and sell local food. Another downside that they point out is high utility bills but this increases the impact of cost-effective green energy options. Under Aki Innovation is Aki Energy that offers green energy options that impacts communities. Those impacts we know ripple outside of their communities to the region and the rest of the province.

So a little bit more about Aki Energy: it started in 2013 and their focus is on green energy - geothermal energy, social or solar thermal energy, biomass energy, and commercial lighting efficiency. They talk about a partnership in their toolkit that they had with Peguis First Nation and with Fisher River Cree Nation, two communities in northern Manitoba where they installed a total of about 260 geothermal units. They built capacity with the local community by teaching them how to do the installation. They left skills in the community and savings for the community, of \$50,000 a year for energy costs. It works out to half a million dollars over a decade, so quite significant. But again, remember that they're really interested in making change in communities so that they are focusing on what the community wants and

involving the community from the get-go.

The other project that I wanted to highlight under Aki Innovations is Aki Foods and their Meechim Project. This project is a joint effort with Aki Energy, Four Arrows Regional Health Authority, partners at the University of Manitoba, and Garden Hill First Nation in northern Manitoba. They have really cool videos on their website about how that started, how they involved the youth in food security and how Garden Hill has a history looking after their food needs and this project just builds on that and encourages the youth to be involved in planting and harvesting and addressing food insecurity in the communities. In the toolkit they highlight a lot of other Indigenous social enterprises that are working on the same kind of premises to make change and be positive contributors by not dwelling on the problems. I like that: looking at the upside of down, looking through the problems to the opportunities and to making healthy communities. Healthy communities, I think, is at the heart of development for Indigenous communities. Health and wellness really make a solid foundation in going forward in development so I'll leave it there and look forward to further discussion on the panel. Thanks so much.

Judith Harris

The three questions the panel came up with to frame the discussion were:

1. What is the role of community?
2. What do inclusivity and economic justice look like?
3. What is indigenous prosperity?

So, these are going to be the focus of some additional conversation among the three panelists here.

16. See Social Enterprise and the Solutions Economy: A Toolkit for Manitoba First Nations | The Canadian CED Network (ccednet-rcdec.ca)

Mary Nirlungayuk

Good questions. Inclusivity, Indigenous people in a lot of ways were there [at meetings] but were not always part of the discussions. So often in the presentation they were kind of afterthoughts. We need to include Indigenous people in various groups.

In the Arctic, any decision—in the education system, in housing and in the co-operative system or in any committees that are in the community—they're part of it. They're part of the decision making. That's inclusivity it's not okay to say, let's come up with a program and then give it to them. That's a reversal on my end.

I think prosperity in a lot of ways is that there's a really rich history and a lot of rich culture that we don't always embrace. We embrace it in our own ways but we don't embrace it enough in the sense that I think we need to. The rest of Canada has to adapt and start including Indigenous people into the organization, in anything. And I think we're getting there but we're not there yet. I think that inclusivity in the language and the culture help adapt various things to the community. Too often there's too much imposing — an approach that is not working and we need to make it work in a lot of ways that have people adapt to the indigenous culture. That's inclusivity. If it's going to be in one language, then have interpretation. That's what we do in our AGM. I think that's part of the things that we could certainly do. Inclusivity is in a lot of areas.

Louise Champagne

I think that inclusivity is a really important principle of course and a huge challenge. It's been our experience that it really takes a lot of resources. To make meaningful participation and inclusion in our community, for example, you know there's all sorts of protocols around running a co-op meeting. When you want

people to participate you can't expect raised-poor people to sit in long meetings and contribute to decision making that they don't understand. So, there's a lot of changes required around how you do things. But there's also a tremendous amount of support around providing people with the skills and the knowledge to have some real participation. I think that requires a lot of resources and supports. Supporting people well is an investment in both time and resources. Those need to be figured out—where is that coming from? And when you're operating business and you're totally dependent on your commercial sales and you're trying to grow that business where are the resources to support people in participating in a better way? Whether they're workers or consumers or general representatives of the community of the community, elders and everybody needs to have some real participation.

Wanda Wuttunee

I really appreciate what Mary and Louise have shared. I think all of us have spoken to how important community is. And Louise's emphasis on meaningful, authentic inclusion means that you just can't assume people are at the same place—they aren't. So, building on true inclusivity really goes to relationships, I think. Relationships that we wouldn't normally think about in development unless you've come to understand how diverse we are. As Indigenous peoples, we are very diverse in terms of understanding basic concepts around what makes a community healthy and that is the place to start the discussion for change.

One research project that I was on for seven years with a community north of Winnipeg was looking at development. The discussion was around poverty and how do we address issues around poverty so that it's not an obstacle to development for the community. We had a number of community members

volunteer to be on a committee to work with us and immediately they changed the perspective, looking at the upside of down. Poverty is the down. They changed the whole perspective to the upside and the focus becoming helping each other up. Working together and helping each other up, flips the idea of poverty on its head, saying it's not "lack of" but it's us working together to help each other, caring and sharing, as Louise had mentioned. So, I think understanding that we as researchers, don't have all the answers that's always been extremely important. Understanding that communities know what is needed, what the issues are, and what help they need.

Louise's comment about really supporting people meaningfully so that there is understanding and so people can feel comfortable—that they have something to offer, that it's honoured and respected is very critical for moving forward in any kind of process of reconciliation. For me reconciliation is making space for everyone to be respected and to be looked to for solutions, looking in places that may seem less obvious.

I was speaking to a colleague because as an academic, we always hear how over-researched our communities are. But his experience was that researchers talk to the chiefs and the counsellors or, you know, the leaders of the community. They don't talk to the community members so the people that are over-researched are the leaders. That says a lot to me about inclusivity—it's not necessarily about the people that are elected. In our committee we had people just from the general community that were really interested in what we were doing and they stuck it out for seven years and had some awesome ideas that we just supported. It was really great to see.

Other questions were about "what is Indigenous prosperity". For me, it's always been about acknowledging how diverse we are and acknowledging that we have to

make space for communities to say what prosperity looks like. It's not necessarily what mainstream society looks at. It could have elements of it but you can also have communities that aren't really interested in more development that they already have. So, understanding again, I think, diverse perspectives have to start from the community.

Judith Harris

I don't know if someone else wants to jump in at this point. I think we've covered these questions. We have a couple more minutes before we let the audience post some questions. We might want to talk more about Indigenous prosperity and also economic justice.

Louise Champagne

Yes, there are a couple of things I want to say about reconciliation—first of all just the idea of Indigenous prosperity. I think it is really about more than getting royalties on pipelines. It really is not about that, not to say that's not important but I just want to say that building community-based co-operative economies is about Indigenous prosperity based on people's culture and intuitively wanting to take care of each other in communities. Really, you've got to rebuild the economy so that it's not dependent on commercial markets and commercial values. I would say that the development strategy for the past several hundred years has been focused on developing—stealing—resources basically, that's been a total failure for us and for a lot of other people in the world as well. So, reclaiming our co-operative culture is really important and supporting that process is about reconciliation. It means stopping the stealing of natural resources. Just stopping that and supporting Indigenous solutions in dealing with the developing source of livelihoods. You know it really is about supporting Indigenous solutions.

I wanted to just mention Neechi Foods and how that ties into reconciliation. Neechi was providing a service in the community and selling goods and products and when people shopped at Neechi, it was contributing to establishing or making it possible for a business like that to operate in the region that it was operating in. So, I often compared it with the whole charity model and how it's different from the conventional charity model of food banks, for example. People get nice warm fuzzy feelings when they contribute to a food bank and they see themselves as feeding people. But the people on the receiving end of that are not receiving a food that is a basic human need in any dignified way. I think it just causes more damage and yet here's an opportunity to shop at Neechi where you're creating employment and you're getting some good quality products. It's a two-way street; it's not a one-way street as the typical charity, a conventional charity model, is a one-way street.

I wanted to mention the importance of a model like Neechi Foods. It creates the opportunity for people who are spending money on food to begin with all the time and when they're spending it in establishments like co-operatives, they're contributing to creating employment for people and moving a step further than a charity model.

Judith Harris

I know we have about 10 minutes left and I want to invite some questions from the audience and the question that our panel posed for you is "what creative solutions for economic reconciliation do you bring to the table?"

Isobel Findlay

That was so inspiring because as I listened to you, you so effectively deconstructed and reconstructed those dominant stories that we've all learned about economic modernity and you've made

so clear what we've lost in the process. We've lost the incredible achievement of sustainable economies over centuries. I just wondered if you could say a bit more about what we can learn from Indigenous solutions to understand what we've wasted in all our communities.

Mary Nirlungayuk

I know in the co-op system in Arctic Canada when they didn't want to get left behind in any business aspect, the early leaders really assessed what are the businesses that will be able to benefit and are relevant to the Indigenous culture, the Inuit culture, and so on. The best model was the co-op system. It was a decision made early on that really, really helped the Indigenous people in the Arctic. I think those strong leaders at the time were forward-thinking. It always amazes me that they were forward-thinking people for a younger generation that is now benefiting from the business. It's really showing in the community. Yes, we could do a lot more about food insecurities; there's a lot of challenge like in in any community. But what we learned from that was to use the models that are successful. If we can do it in Arctic Canada why can't we do it in the rest of the First Nations communities across Canada? I think too many challenges are always posed. It can be done in the rest of the First Nations communities.

Louise Champagne

I just want to mention that one of the things that of course was lost was economic balance in Indigenous communities that existed prior to settler groups. It all started with merchant trade which spread all over the world. It undermined Africa as well as North and South America and other parts of the world. So, there's a history there of merchant trade that interrupted people and it's still going on. It's shifted somewhat but it's still there. Our current sharing and

caring culture came from somewhere and it's really, really important to reclaim that and not be ashamed of it and to liberate ourselves. It's important to maintain this culture and not let it get undermined and I often feel that just sending our children to school undermines that culture. There's so much going on that is undermining that sharing and caring culture; it often feels very, very overwhelming and I think we need to rebuild not only our local economy but our national economy and our international economy to really be based on caring and sharing. That's a very healthy and important model to move forward.

Wanda Wuttunee

There's not much I can add. I really agree with what Louise and Mary have shared. For me, I acknowledge the challenges but I super appreciate the resilience that we have in our communities and our people and our leaders. The tenacity too that's been expressed over many generations to want to build something worthwhile for individuals, for families, and for communities. I think the way that Louise expressed it about focusing on sharing and caring in all of our development activities should be at the heart of it. You can see flickers of light and understanding in the general community. But it is just so important to acknowledge our resilience in the face of overwhelming challenge. We still survive and push to thrive. I'm just so appreciative of that.

Judith Harris

I think we have about three minutes left and there's so much ... I'm trying to think of just one takeaway and there are so many from this really rich discussion. I'm thinking of the idea that sometimes we fail to see how one person can change the whole conversation and we have to hear those voices of people who can turn things upside down for a while so that we entertain all of these positive approaches

that we're hearing about today. And basic to all of that is taking care of each other. I'll thank everyone unless one of the panelists has one more thing that they wanted to add at this point.

Louise Champagne

I just want to say that Neechi Foods was a model that was trying to take on this sharing and caring culture and was applying it to a commercial workspace where we had representation from workers from customers and community. We were trying to develop this model that could be used to nurture community the people involved. I just want to add that Neechi hasn't given up. We're still pursuing reopening and getting our building back under our control. We haven't given up on that direction and hopefully we'll resurface, bringing the model a little bit further ahead in the future.

Judith Harris

Well, I'm looking forward to shopping at Neechi and getting my blueberries and my bannock. I want to thank all of the panelists today for focusing on these important issues and giving us very practical information as well during this session. Thanks to Louise, Wanda, and Mary.

Research Profile: An Interview with Sonja Novkovic¹⁷

Isobel M. Findlay



Dr. Sonja Novkovic

Full professor

Economics

Academic Director

International Centre for Co-operative
Management

Sobey School of Business

Saint Mary's University

CASC/ACÉC 2010 Award of Merit winner

17. This interview first appeared in the CASC/ACÉC Newsletter Spring 2021.

As she approaches the end of her eight-year tenure as the CASC/ACÉC representative and Chair, International Cooperative Alliance Committee on Cooperative Research ([The Committee on Cooperative Research \(CCR\) | ICA CCR](#)), Sonja Novkovic reflects on that ICA CCR experience in an interview with Isobel M. Findlay, editor of *CASC/ACÉC Newsletter*.

Why is the ICA CCR important? What are its roles and responsibilities?

The ICA CCR is one of the thematic committees and networks or think tanks of the International Cooperative Alliance (ICA); the others are Gender Equality, Cooperative Law, Youth Network, and the International Cooperative Development Forum. Established in 1957 as the Research Officers Group, the ICA CCR has changed its name as its mandate broadened over the years in bridging academic research and the practical co-operative movement world. The committee importantly connects all regions globally—Asia-Pacific, Europe, Africa, and the Americas—in the project of teaching, education, and practice, drawing on different fields and multidisciplinary approaches to the promotion of the co-operative model as a solution to social and economic issues.

Through its biennial global research and other conferences, website, and the *ICA Review of International Co-operation*, the committee connects regional and global players and interests, sharing the latest research for application to current co-operative issues.

Why is it important for CASC/ACEC to be represented?

CASC/ ACÉC is important because it is almost the CCR in the Canadian context! What is important is the multidisciplinary representation of research in Canada and the Americas more broadly (themselves very diverse, as we can appreciate). Since around 2012 when Lou Hammond Ketilson was chair, there was an effort to democratize the process of selection of researcher representation on the CCR Executive which is when CASC/ ACÉC

became one of those organizations that could delegate someone to the CCR. In the US, ACE has this delegating role and in Latin America, it is the Latin American Co-operative Research Network.

Still, it is important to have multidisciplinary representation and this is what CASC does. But we of course know that we are missing large bodies of researchers. Not all researchers are necessarily affiliated with either CASC or ACE although CASC does attempt at least to be inclusive of the broader community of researchers throughout the Americas and not only in Canada. I feel we are not capturing well enough the francophone community although we do have some on CCR. So some work remains to be done. But CASC is all encompassing and a broadbased research community connecting academics with practitioners and students and it is also connected to the global community of researchers. So CASC has all the elements of what CCR should be about. And CASC is the only research association that is a member of Co-operatives and Mutuals Canada. Research associations are not typically members of movement federations, but it adds credibility that CASC is part of the movement and researchers are part and parcel of that.

What have been the challenges in fulfilling the roles and responsibilities of the CCR?

Well, always resources and money. There is no money and it is difficult without resources. The staff we do have from the ICA are busy so don't have a lot of time to devote to the CCR. There is no permanent secretariat like some associations have. So resourcing is a challenge. And of course all representatives are volunteers and

academics, so we have less opportunity to collaborate with the sector as such in a more meaningful way (outside grants etc in our home institutions).

Regional diversity is also a challenge—including different understandings of what co-op research is or should be and what it is about. And then we are also functioning only in English and not doing justice to the global community. So this is a serious limitation related to Africa and Latin America. As to German researchers, only a few have been able to be part of CCR. Spanish speaking has been a challenge as well. Latin America faces serious challenges to be part of this network even though they want and have their representation. And we have no resources to function in multiple languages and this is also part of the problem with the francophone community. So regional and cultural diversity of the movement and research community—and how co-ops are perceived and understood—but there are opportunities in that diversity but we don't meet enough. That is a challenge. Because we are connected to practice and the movement, there are diverse expectations of what research is and does. Some view research as consulting or gathering of regional statistics in a knowledge-driven or data-driven enterprise. So there is that misunderstanding that is a challenge.

How often does the committee meet?

We meet at least once a year which is mandatory by the constitution, but we usually meet twice. Most of our activities are associated with conferences where we mingle and meet face-to-face. The European conference meets annually and typically attracts a global audience, the biennial global conference also attracts a global audience, and the Latin America conference meets every two years, and Asia-Pacific annually. So each offers the opportunity to meet more often.

As much as CCR has faced challenges of travel, diversity of understanding, and linguistic differences, do you find the CCR and broader movement has nevertheless found opportunity to innovate? What have been important innovations over the last eight years or in the longer term? Innovations within CCR and research? How CCR might have done things differently impacting research?

Since 2014, we have been engaging young scholars much more deliberately. Every conference now begins with a day for the young scholars and then they are of course part of the main conference too. They meet, mingle, debate issues, and discuss jobs in the sector. So there is lots of potential and we haven't had the resources or done enough with it. But a representative of the young scholars is on the Executive now. There have been some new things with the Alliance and some new relevant research topics: for example, the platform co-operative arena and challenges of governance within platforms, what they mean and how they shape what they are. A couple of years ago ICA passed a resolution that they would support these new forms of cooperativism. ICA has also just introduced ICETT ([ICETT ACTIVITIES | ICA](#)), the think tank of large co-operatives who want to promote co-op thinking and practice. What we want to do is bridge the gap between the think tank and the research community that should be involved in promoting the co-op model and thought and critiquing where appropriate. At the moment the World Co-op Monitor (The World Cooperative Monitor | ICA) is its outlet and researchers in Italy at EURICSE who produce the Monitor are helping craft current issues, including the SDGs of importance to the ICA.

There are other things happening because the co-op model is becoming more prevalent and more young researchers becoming involved in co-operative enterprise and social enterprise. The Institute for New Economic Thinking or INET in New York (<https://www.ineteconomics.org/>) also

has a Young Scholars Institute on co-ops that we are trying to connect with the CCR Young Scholars Program (YSP). The New York group are self-organizing around particular issues. One group has started a co-op of young scholar institutes so multiple interests but there is not enough talking among the different groups, so we are trying to make the connections. Communications are not always what they should be and a coordinating role is needed.

What are highlights for you over your eight years? Particular initiative, conference, people?

The particular highlight is the Young Scholars Program I deeply care about and want to continue to promote in any way I can and link to academics. Co-op researchers—at CASC too—are really collegial and that supportive, mentorship role is so important. And I am very happy that the program is shaping up but we need more resources for it to function as well as it could. The highlight for me is the connection to co-op networks and the people on the ground—very important

to be close to the co-op identity, its opportunities and challenges. I am a theorist but always based on reality and this connection is important. And at my university we do a lot of identity training.

On two fronts from an education and a research perspective it is so important to be close to the sector. I am now closer to the sector and ideas come from practice and that is the highlight and keeps me going.

You have already addressed something of my last question. What impact has the ICACCR had on your thinking and shaped or reshaped your career/intellectual itinerary?

I have never been a narrow economist. I have always been a social economist but this work has allowed me to pay more attention than I would have otherwise to other fields and approaches—history, management, for example—understanding the differences of where people are coming from in their different interdisciplinary perspectives. That has broadened my horizons. It's been quite informative and exciting actually.

The Review would like to acknowledge the great debt we owe to Sonja for doing a fantastic job as Chair of the ICA-CCR – Thank you Sonja!

Book Review: Waking The Asian Pacific Cooperative Potential

Editors: Morris Altman, Anthony Jensen, Akira Kurimoto, Robby Tulus, Yashavantha Dongre, Seungkwon Jang. June 2020. Academic Press. Elsevier

Roger Spear

This is a very ambitious and fascinating book. Over 400 pages long, with 35 chapters which provide an overview, and compare the long history of co-operatives in the Asia Pacific Region. Its comparative analysis focuses on China, Japan, Korea, Australia, Vietnam, India, Nepal, Indonesia, Sri Lanka, the Philippines, and the city-state of Singapore. It explores the diverse experiences in four cooperative sectors: agriculture, consumers, credit unions, and worker-owned cooperatives. It exemplifies some of this analysis with case studies of 22 successful cooperative experiences. Thus, in contrast with a comparable ambitious study—Brazda and Schediwy's classic 10 country study of consumer coops in Europe (1989), which specifically wanted to sound an alarm of an impending crisis in consumer cooperation—its focus on exemplary practices is enlightening, and giving an optimistic perspective on the challenges remaining.

One cannot help but be impressed with many features of cooperation in the Asia Pacific region, and with many of the cases. At the same time, there are clear challenges. Co-operatives exist in most of the 50 countries of the Asia Pacific region, and they have the world's largest share of co-operatives in terms of numbers, but they tend to be small scale, with relatively few in the list of the world's top 300 co-operatives based on turnover. Their great numbers of co-operatives, members, and employees, does not necessarily result in innovative and dynamic responses to changing economic and political circumstances. In this sense they may be considered a sleeping giant, which needs to increase its visibility as an alternative socio-economic option to achieve equitable development and growth. The title of the book alludes to this idea that in many ways the current state of affairs is unsatisfactory, and hence the clarion call for collective effort to awaken the giant inside the giant, so the promised potential can be achieved.

The aim of this book is to explore the challenges that have been overcome, and the reasons for the success that has been

achieved, and so open the doors for the Asian Pacific co-operative potential to be better understood and achieved. This involves identifying the different models of cooperation, the extent to which they are distinctive (or tending towards convergence globally), exploring the patterns of evolution of the co-operatives, what can be learned from the factors enabling or hindering their success; and how can they be positioned in relation to powerful state actors, and dynamic capitalist corporations in increasingly global economies.

The Asia Pacific co-operatives emerged during the 19th century, often initiated through colonialism, or influenced by immigration, or via the adoption of Western models; particularly the Rochdale model of consumer co-ops, or the Raffeisen model for credit cooperatives. The influence of colonial history is clearly very significant in many of the countries studied, and this is acknowledged, but most of this Asia Pacific co-operative analysis begins after the colonial period, when post-colonial movements developed, and institutions emerged and evolved under a variety of political and socio-economic circumstances. Those wishing to explore the colonial roots for countries linked to the UK, could well check out Rita Rhodes' excellent study (2012) of the role of the British Colonial Office in co-operative development in the British Empire.

The range of co-operatives covered is incredibly diverse, in terms of size, sector, and stage of development. Some countries have early forms of cooperation in the 19th century, sometimes with pre-figurative self-help organisations—including in India, and Australia, while much more recent developments of consumer cooperation emerged in other countries like Korea in the 1980s, while in China the advent of cooperation in one form or another is even more recent. In many countries the post-colonial state has played a major regulatory

and developmental role in shaping the co-operatives; and globalization and neo-liberal trends have in some cases loosened these constraints, but brought with it the risks of demutualization. It is an extremely complex challenge to try to make sense of this diversity, and discern some of the reasons for quite different patterns of development.

The Varieties of Capitalism approach (Hall & Soskice, 2003) provides a starting point for explaining this diversity. This approach argues that there are two forms of coordination of market and nonmarket relations, resulting in two types of capitalist economies, Liberal Market Economies, and Coordinated Market Economies. This perspective has been further elaborated by Witt and Redding (2014) who argue for five types of Asian capitalism—post-socialist, advanced city-state, emerging Southeast Asian, advanced Northeast Asian, and Japanese. But the authors of this book concerned with co-operatives, argue that the role of the state (developmental, and regulatory—including freedom of association) should modify this 5-part typology. Instead they propose a 4-part typology:

1. Socialist market economies: China, Vietnam, etc.
2. Developmentalist market economies: India, Singapore, Malaysia, Thailand, Philippines, etc.
3. State-coordinated market economies: Japan, Korea, and Taiwan
4. Liberal market economies: Australia and New Zealand

And they go further in developing a more elaborate theoretical framework, which uses a historical-institutional perspective (including in particular the role of the state); thus leading to a macro analysis, which is complemented with a micro analysis covering organisational, managerial, and governance factors, as well as considerations related to cooperative principles.

The book is well structured to help the reader make sense of the complex diversity of Asian Pacific Cooperation. Part 1 (about 100 pages) is devoted to establishing the analytical framework; while Part 2 contains the case studies structured by sector, but with a useful analytical summary at the end of each sectoral section, and a final summary of the whole book.

The book begins with a fitting tribute to Gary Lewis, a much loved Australian cooperator and researcher. Gary would have been proud of this excellent work, and the authors are to be congratulated on making a major contribution to cooperative thought.

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Book Review: The New Systems Reader: Alternatives to a Failed Economy

Speth, J.G., & Courier, K. (2021), New York and London: Routledge. (480 pp)

Judith Harris

Many academics with a concern for social and environmental justice can chronicle their personal and professional journeys by citing critical literature on humankind's unconscious and suicidal attack on the ecological systems that sustain us and on options for a new set of values and models. The authors, Speth and Courier, point out that "we know a lot" about "how to court disaster for people and planet" (p. xxvi). A few publications/messages that have punctuated my generation's post-war perspective are the following:

- 1944 Karl Polanyi *The Great Transformation*
- 1972 Donella Meadows *Limits to Growth*
- 1973 E.F. Schumacher *Small is Beautiful*
- 1981 Hazel Henderson *The Politics of the Solar Age*
- 1984 The Brundtland Commission *Our Common Future*
- 1986 Paul Ekins *The Living Economy*
- 1986 David Ross & Peter Usher *From the Roots Up*
- 1989 Herman Daly & John Cobb *For the Common Good*
- 1990 Elinor Ostrom *Governing the Commons*
- 2001 Anne Bishop *Becoming an Ally*
- 2002 Elder Dave Courchene *Turtle Lodge Center of Excellence*
- 2009 Michael Hardt & Antonio Negri *Commonwealth*
- 2010 John Restakis *Humanizing the Economy: Co-operatives in the Age of Capital*
- 2012 John G. McKnight & Peter Block *The Abundant Community*
- 2014 Naomi Klein *This Changes Everything*.

Speth and Courier have brought together, for the reader's analysis and to provide motivation to policy-makers, community activists, and others, 29 accessible essays by 38 practical visionaries who contradict the claim that "There is no Alternative". Febler & Hagelberg counter TINA with "There are Plenty of Alternatives (TAPAS)" (p. 56). This important, timely collection summarizes the work of academics and practitioners who detail where we are at, where we are going, and what the future could look like for the planet, families, communities, nations and "all our relations". We begin by recognizing that the system is broken, and the next step is to understand that many alternatives already exist.

James Speth is a senior fellow and co-chair of The Next Systems Project at The Democracy Collaborative. After leaving Yale, he headed up the UNDP and was a senior environmental advisor to Presidents Carter and Clinton. Speth has co-authored and edited seven books.

Kathleen Courier's work has focused on communications and publications for the American Institutes for Research, the Urban Institute in Washington, and the World Resources Institute. She was a book columnist for the *SIERRA* magazine, acting director for the Center for Renewable Resources, and past president of Washington Book Publishers.

The editors have the experience and breadth to effectively present a well-organized publication, focused on the systems that rule our everyday lives, many lacking any safeguards, speeding us relentlessly towards a cliff, while others might be usefully employed to guide us toward more hopeful futures. The literature is, as one would expect, wide-ranging, owing to the fundamental need for a more holistic way of addressing the critical issues that we face. Everything is connected. The articles are interdisciplinary and sometimes

speculative. Being focused on a set of guiding questions, the collection allows for productive comparisons and adaptation to the diversity that capitalist models have failed so spectacularly to acknowledge. Contributors are asked to consider: core goals, major changes, principal means, geographic scope, temporal scope, theory of change, and the specific nature of the model or proposal for economics, society, environment, and polity.

David Korten, a member of the Club of Rome and founder of the Living Economies Forum, provides a concise statement with which most contributors to the collection would agree: "There is no magic-bullet solution and marginal adjustments will not suffice. ... It all turns on our reawakening to a simple truth that our ancestors understood and we seem to have forgotten: we are living beings born of and nurtured by a living Earth. We must navigate a rapid transition to a living economy for a living Earth" (p. 88).

The book is organized around the alternatives in seven parts. Each part presents common-sense arguments and options that refute the basic assumptions of those who defend the status quo. Thad Williamson has also provided us with a supplement to the book, *The New Systems Reader Guide*, with questions for each chapter—a helpful guide for study groups.

At this point there must be a comment on what is not covered sufficiently in the book, and that is the leadership that can be provided by First Nations. Gordon-Nembhard and the authors in Chapter 29 represent voices that are often excluded. In a Keynote Speech to the Association of Collegiate Schools of Planning Conference, Houston, Texas, October 22-25, 2015 (*Progressive Planners Magazine*, Winter, 2016), Tom Angotti references Naomi Klein who "places economic and social justice at the center of the climate debate. This is not just a theoretical discussion but reflects a global movement seeking

climate justice. Climate justice forces us to re-think everything at a global scale, far beyond the objectives of adaptation and conversion to renewable energy (2016 p. 6). Angotti goes on to explain to city planners that “we must struggle for a truly democratic and ecological approach to land in which the primary agency belongs to those who are stewards of the land and respect the ecological integrity of all life on earth, and those who struggle for racial and economic justice. We must be advocates, with them, for they bear an unrecognized wisdom about how we humans can live with the earth and not just on the earth.” (2016 p. 6)

A Co-op Lens on Systems Change

The purpose of this review is to encourage you to enter into the debates that emerge from this synthesis of literature on whole systems change toward a more just economy. The challenge for this review is to summarize and do justice to such a detailed, multi-disciplinary volume. In order to provide the reader with a taste of the range of options presented, the review offers a glimpse through a co-operative lens. Co-operation and co-operative enterprise are prominent in many of the articles in the book.

These are some of the central themes that unfold and are clarified for our consideration in the 29 chapters: relationships, partnership, the commons, social control over capital, social markets, three-sector economic models, decentralization and localism, anti-oppression and non-exploitation, and new system values of reciprocity, mutuality, and subsidiarity. Many of the values, structures, and models are referenced directly or indirectly in what is ultimately a very practical vision of cooperative commonwealth provided by John Restakis. Here is a vision —a possibility that begins with the social care sector. Readers might select chapters that are of interest then review what is,

in effect, a summary chapter by Restakis, and then circle back to chapters that expand on the central themes.

Restakis sees the social care sector as the opening wedge: “a pathway to systemic change” that has strategic importance: everyone is affected; everyone can play a role; existing examples can provide lessons; democratized social care can fundamentally reform the whole political economy; and social care can become a protected commons (p. 369).

In his earlier book, *Humanizing the Economy*, Restakis relates the following tragic story that we hear oft repeated during these pandemic times (see Danielle Da Silva *Winnipeg Free Press*, Dec. 3, 2021). Annie 91 and Al 96, a couple, were told to say their goodbyes while Annie was leaving the hospital for a nursing home 100 km away. There was no opportunity to embrace her husband of 70 years since she was strapped to a gurney. Within two weeks both had passed away. The tragic examples presented in the news for the past two years confirm that our seniors deserve better. The rationale for establishing new co-operative delivery systems for relationship-based services such as elder care and childcare can be found in Italy’s Type A & B social co-op structures and the success of the co-op model in these sectors since 1996.

Eisler agrees that relationships are key to a new, caring economy. She employs relational dynamics as a method of inquiry and points to “the critical importance of the private sphere of family and other intimate relations in shaping beliefs, behaviours, and even brain development” (p. 71). So often, intimate relations are dismissed and the household, perceived as women’s realm is missing. Elder Dave Courchene*—Leading Earth Man (Turtle Lodge, Manitoba)—tells us that “the first thing we need to do as individuals is to understand our personal identity, our gifts and our purpose. In order to join together

as a collective, we need to value the uniqueness in each one of us" (2019). The importance of intimate connections within community is echoed by Speth who points out what we sometimes forget—that we flourish in a setting of warm, nurturing and interpersonal relationships. We seek a joyful economy. The foundation for a pluralist commonwealth, according to Alperovitz, is that we are all in it together. The fundamental value of co-operatives, reciprocity, is an expression of this reality and a value that contributes to the social fabric that weaves the community together (McKnight & Block, 2012).

Systems of domination are anathema to healthy relationship-building. Eisler describes systems of domination that must be rejected in favour of a partnership approach. At the national level, Restakis suggests we change the role of government to that of a Partner State as "an enabling state, existing mainly to maximize civil society's capacity to create social value and to act as the primary agent in the formation of public policy" (p. 366). In his view, the role of the partnership state must be realigned in relation to civil society and the social economy, giving priority to social economic values.

The Commons is an essential store of social capital that validates the idea of social solidarity. Use of the commons is freely accessible to the users who manage it and is the antithesis of enclosure of a resource for private benefit. Bollier (2011) (as quoted by Shuman, p. 21) defines the commons as "a self-organized system by which communities manage resources ... with minimal or no reliance on the state". Ostrum and Hardt & Negri refute the claim that community cannot be left to govern the commons. At this time, we are learning the value of the commons and the dangers if we ignore our commons connections. Restakis emphasizes that we must protect and expand the commons, resisting any attempt to commodify them.

The "lynch-pin" to system change is social capital and putting public banks in charge of money is, in turn, fundamental to control of social capital (Restakis pp. 374-375). Co-ops, in effect, are a micro model for social control of capital, as members contribute equitably to and democratically control, the capital of their co-operative. Schweikart and others want us to understand that resources are the collective property of society when investment decisions are under social control. A decentred political economy would redistribute decision-making authority over and knowledge of society's resources. Cumbers identifies for the reader seven options for more diversified public ownership and opportunities to increase the extent of society's control over resources and capital. (pp. 208, 216)

Restakis explains that social markets are needed to facilitate the creation of social relationships intended to provide services—they are the foundation of the social economy: "Social markets sustain the production of relational goods for social value" (p. 371). In order to support the social and mutual foundations of the social economy, new policies and social market exchanges are needed, based on principles of reciprocity, mutuality, and social benefit. In fact, many reciprocity-based exchange systems already exist. Restakis offers the example of Fureai Kippu in Japan (p. 373), a time-banking system that provides volunteers with credit based on the care they provide to seniors.

In North America, more so than in Europe, proponents of co-operative alternatives are confronted by a barrier to wider understanding of "the whole economy". The many ways that we meet our needs, the informal "markets" that have propped up the capitalist system, are taken for granted. Activities in the social economy, in contrast to the capitalist economy and the centralized economy, are evidence that provisioning takes place based on

values of social solidarity and economic principles of reciprocity, mutuality, and well-being (Restakis, p. 366). A number of chapters in this volume present the reader with various depictions of a three-sector economy (see also de Romaña, 1989; Henderson, 1981; Pearce, 2003; Ross & Usher, 1986) where individuals, families, and communities produce valuable goods and services. This third sector or third system is highlighted by Meyer, *The Third Way/The Good Society* (p. 62); Brown, *Civic Systems of Provision* (p. 62); Eisler, *Full Spectrum Economic Map* (p. 80); and Lewis, *Three Sectors of the Economy* (p. 322). The third sector has been dismissed as “third rate” and sidelined by those who consider community development to be solely an anti-poverty strategy. Many of the contributors argue that the third sector can, to re-iterate Korten’s earlier invitation, “re-awaken us to the living earth” and more sustainable ways of meeting our needs. This shift suggests a new role for the state in relation to the community.

Restakis envisions a partnership state based on social ethics but, nevertheless, he also considers stateless democracy an option. He calls attention to existing international networks and circuits of power like the Fairtrade movement. The principle of subsidiarity is at the core of decentralization, according to Shuman (p. 21). It is a central principle of Catholic social thought, stating that nothing should be done by a larger, more complex organization that can be done as well by a smaller, simpler organization. Subsidiarity is a convincing argument for locally-based development. As Restakis points out, the revolution in Information, Communication and Technology (ICT) can facilitate more decentralized decision-making. ICT has done much to reverse the centralizing logic of the old model and old systems (p. 378). Brown, in his chapter on provisioning, states, “The realization of civic systems of provision depends on our ability to develop a civic consciousness that

is grounded in our common humanity” (p. 63). Civic conversations are facilitated by advances in ICT, increasing democracy and participation.

“Is a political system in which generative democracy, cooperative commonwealth, and the revolutionary potential of new technologies combine to sustain a political economy dedicated to the common good even possible?” Restakis (p. 380) answers this question with a description of the civil structure of Rojava, Syria, where the Kurdish people have rejected state oligarchy, capitalist exploitation, and gender oppression: “While the Rojava uses a parliamentary system to manage the cantons’ legislative, political and juridical affairs, the day-to-day practice of democracy is directly in citizens’ hands” (p. 381). Local Cantons in Switzerland are another, well-established example of “localism” where policies can “vary enormously by canton.” Shuman offers options for increasing national insurances in the USA, as in the Swiss direct democracy system (p. 20).

Polanyi, in 1944, exposed the great transformation of the industrial era as a violent, destructive juggernaut that rode rough-shod over cultures and their values. Authors of the *New Systems Reader* propose an alternate set of values. Jackson & Victor, for example, envision systems that allow humans to flourish and at the same time consume less (p. 129) and there is a good portion of the global population that would understand this reality. New System Values are linked to the social economy and to government and civil society’s rejection of the neoliberal values of efficiency and profit maximization. Speth calls for a joyful economy in which we embrace our kinship with the wild, have concern for future generations, foster social solidarity, reject constant warring, live within earth’s limits, and demand equality in all spheres. And he reminds us that values and culture can change as they did after the crisis of the

Great Depression. We must be prepared “to drive events in the right direction” if we are to build back better (p. 261).

Gordon-Nembhard’s chapter focuses on the values of anti-oppression and non-exploitation which have historically been foundational to the co-op movement but have more recently been revealed to be narrow in their application. The Idle No More Movement in Canada and, world-wide, Black Lives Matter have revealed the superficial nature of co-op commitment to these values. (see address by Gordon-Nembhard and by Nirlungayuk, Champagne, & Wuttunee on Youtube: <https://www.youtube.com/channel/UC30QOYrxzP6tM8TsNcDMARA>). Recently, the COVID pandemic has laid bare the reality of sexism and racialization that Gordon-Nembhard has identified in *Collective Courage* (2014), her historical account of co-op movements in Black communities in America. Likewise, Gibson-Graham observes that much of the work of system change is animated by the drive to root out racism and sexism. Eisler sees gender as a cornerstone of systems change (p. 78).

The final message offered by the editors of the *New Systems Reader* is that the seeds of system change exist and years of hands-on experience and practice underscore the very real community-based to nationwide initiatives in networks that span every continent. They demonstrate that there are many alternatives and that they are growing in number and strength. Gibson-Graham, Akuro & Satajawa, Tanaka, Evans & Cohen, and Kabwe provide vivid

accounts of the Emerging New Economy that is upending and replacing systems based on domination and fear, systems that are in crisis. Speth & Courrier give the final word to practitioners (pp. 406 – 459): “They attest to the reality of system change—a road that is often jagged, mostly uphill, and travelled by people convinced that the destination is real and worth the journey” (p. 407).

* Elder Dave Courchene Jr., also known as Nii Gaani Aki Inini (Leading Earth Man), passed away on Dec. 8, 2021, and is missed by people across the nations who followed his teachings. The Turtle Lodge in Sagkeeng First Nation, Manitoba, was built in fulfillment of a vision received by Elder Courchene. In 2002, inspired by Dave’s vision, First Nations and international volunteers from Sagkeeng First Nation, communities throughout North and South America, and from as far away as Germany, all came together to help build the Turtle Lodge as a centre for Indigenous education and wellness. (www.turtlelodge.org)

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