

Topic

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What are co-operatives?



Social Co-operation Forum
Fforwm Cydweithredu Cymdeithasol

“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.” –

www.ica.coop/en/whats-co-op/co-operative-identity-values-principles

Co-operatives are not about big profits for shareholders, but about creating value for members. Co-operatives are democratic. All members are treated equally, and they operate on the principle of “one member one vote”.

Co-operatives are driven by a social purpose, and they care for the community. Some are entirely not-for-profit, whilst others allow a small profit to be shared amongst members. This is what gives co-operatives a unique character, underpinned by their internationally agreed values and principles.

There is a world-wide movement of 1.4 million co-ops with over 1 billion members, over 100 million jobs and an annual turnover of \$1.6 trillion.

● History of the co-operative movement

The origins of the co-operative movement can be traced back to 1815 when Robert Owen from Newtown in Wales published his “Observations on the Effects of the Manufacturing System”.

The first recorded Co-operative Society was started by 28 cotton mill workers in Rochdale, Lancashire, in 1841. They were concerned about the supply of food and decided to open their own shop selling good quality food at fair prices and with honest weights and measures. They put in £1 each (over £100 at today’s prices) to start the business, which was so successful that it led to hundreds of co-operative societies being set up by local people all over the UK.

Wales has a strong culture of co-operation and community organisation and many of the first co-operative societies were established in Wales. The early names adopted, such as the Tonyrefail Pioneers and the Brynmawr

Perseverance Society, say a lot about the challenges they faced, and overcame. The most successful co-operatives were the ones most strongly rooted in their communities.

● **The link to social care and support**

Co-operative societies gave support to their members from the 'cradle to the grave'. In addition to providing a range of services for themselves, co-operators saw co-operation as a way of building a new society, through mutual support and responsibility. 'The Social Services and Well-being (Wales) Act' reflects this by putting control back in the hands of citizens.

The Act encourages ordinary people to innovate and inspire social care and support in our communities.

● **Championing equality**

Women didn't get the vote until the 'Representation of the People Act of 1928'. Yet they had the vote in co-operatives from the beginning in 1841, when the original Co-operative Principles stated that: *"one member one vote" should obtain in government, and the equality of sexes in membership.*

The Co-operative Women's Guild was set up in 1883, and two of the seven women who founded it were from Aberdare. It became an important campaigning organisation for women's rights. The ethos of the co-operative movement and its history shows us how the movement can play a similar role in empowering disabled people to lead and shape new services.

● **Why co-operatives are empowering for citizens**

'The Social Services and Well-being (Wales) Act' offers a new relationship between the state and citizen – one that recognises peoples' assets and strengths rather than deficits and weaknesses. The values and principles of co-operation are grounded in this philosophy.

Co-operatives rooted in their communities can also benefit those communities by virtue of being locally owned. In an age of globalisation, a new spirit of localism is developing and co-operatives are uniquely able to combine the benefits of both.

● **Values and principles of co-operatives**

The values and principles of the co-operative movement have been evolving ever since the Rochdale Pioneers in 1841. The current version was agreed by the International Co-operative Alliance in 1996.

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.

Principles

- 1. Voluntary and Open Membership**
- 2. Democratic Member Control**
- 3. Member Economic Participation**
- 4. Autonomy and Independence**
- 5. Education, Training and Information**
- 6. Co-operation among Co-operatives**
- 7. Concern for Community**

● **What makes co-operatives different from other models?**

Different types of organisations, such as charities and local government, have an important role to play. There are, however, some distinctive features of co-operatives that are well suited to citizen-led services.

Charities are usually owned and controlled by a small group of trustees with little or no democratic accountability to the people that receive their services. Local government is democratically accountable to the entire local population, and consequently the users of a social care and support service might have little influence over decisions affecting them. Co-operatives are owned and controlled by their members. Providing that the majority of members are service users, there will be a built-in democratic structure to ensure that the co-operative is run for the benefit of the users.

It is a model that lends itself to citizen involvement and the sharing of power and responsibility equally between members. Social co-ops build co-production principles in for life, and not just at the design stage.

● **Further resources**

www.wales.coop/

www.disabilitywales.org/wordpress/wp-content/uploads/direct-payments-report-eng.pdf