



ICA GENERAL ASSEMBLY

"Co-operation and Peace in the Era of Globalisation"

15 - 17 October, Seoul - Korea

Co-operation & Peace in the Era of Globalisation **Pauline Green, Chief Executive and General Secretary** **of the Co-operative Union, UK** **16 October 2001**

The world today is light years away from the world inhabited by the early pioneers of our co-operative world. Co-operation was conceived and developed in a local context to solve local problems for local people. Its international perspective, which we celebrate here, came on the back of its appeal and attraction in dealing with the problems that beset ordinary people in their daily lives. It was hugely successful because it gave people a sense of control over their own and their family's destiny.

In its inception it operated most successfully, as we all know, in an environment ripe for change, and in some cases in the midst of change, an environment generally rife with inequality, injustice and discrimination. Its strength was that it was a practical, value-driven philosophy based on solidarity, democracy and equality that could make a real and immediate difference to people's life.

It succeeded because it developed a cadre of leaders who led their communities, through self-help, to value and seek education as a means of bettering their lot, and to encourage a sense of responsibility for neighbour and neighbourhood.

In essence co-operation provided leadership in local communities.

In today's world, today's globalised world, the environment is anything but local.

Today, the working world is global. The information revolution has cut through local links, radically altering traditional and previously permanent relationships with localities and workforce. One time local businesses are now able to, and do operate from anywhere in the world, as easily as if they were in the room next door to their customers or clients.

Today, the educational world is global. Students and young people, perhaps more than any other part of our global society, take advantage of the opportunities offered by easy travel and the expansion of language ability, to live, learn and enjoy the experiences of the world wide educational offer.

Today's world, today's global world is also in the throes of dramatic change. Politically the stability of the 'cold war' era was created through balance. Balance between competing ideologies, balance between competing economic systems, balance between competing military strengths – all in the context of balanced global spheres of influence.

Today's world is struggling to come to terms with the new, global reality.

In particular, that new global reality has generated a real sense of dislocation. Dislocation has been felt in many communities, localities and regions, whose very existence has been challenged by the disappearance of traditional industries. The failure and disappearance of many such industries of itself would have been difficult enough. But with global economic forces now able to take advantage of the free movement of capital guaranteed by world trade structures, indigenous government at all levels from local to national, are constrained in just what they can do, and what levers they can pull to remedy the economic disadvantage to their regions and their people. So

that economic reality, is, all too often being accompanied by the disappearance of a way of life, of community values, cohesion and stability.

As the world shrinks in terms of economics, trade, work, politics, education, culture and so on, unless we are very careful, the gaps in understanding and the antagonisms between people will actually grow. Those gaps themselves cannot any longer be anticipated as the 'traditional' ones. The antagonisms and conflicts may not be along the national or historical lines that we have become accustomed to over the last hundred or so years. That fact is all too evident in the sad experience of the present international conflict.

The demonstrations and street battles that now all too often accompany regular meetings of the world trade organization, the G7 or 8, European Union Government Leaders and so on, are the extreme manifestation of that sense of dislocation. But, underneath it lies a far larger proportion of the world community that feels uncertain, unsure of their place in this world; that feels insecure, no longer clear about their future or that of their family; that feels disconnected, unable to see how they have any impact, even through the traditional 'vote' on life around them, let alone in the bigger scheme of things. Their own sense of self worth, cultural rooting and belonging is beginning to fracture.

It is in this ocean of the dislocated that the radical movement of our day is emerging. On its waves are those who cross half the world to demonstrate in Seattle, in Prague, in Gothenburg or in Milan. Most, genuinely concerned for the future. Most, wanting simply to articulate their fears, to be heard. Some, unhappily with less altruistic motives.

Whilst more than a million miles removed from the genuine motives of the truly concerned, it is sadly the case, that in the depths of this ocean of the dislocated we also find those engaged in the politics of hate, and it is here as well that they seek their recruits.

Nothing could be a greater threat to peace and democracy in our world than that we allow this ocean to get deeper.

But, the global world is not going to go away, it is not going to be defeated to facilitate the restoration of some sort of 'cold war' stability or its equivalent. We must find a new equilibrium.

This is where co-operation and co-operators could play a real role.

Perhaps uniquely, co-operatives can play a fundamental role in restoring or reinvigorating that sense of local identity, of local being and of local community that lay at the heart of the genesis of our movement.

It is time colleagues for a renaissance in co-operation. We need to reactivate that sense of local leadership and excitement in co-operative innovation. We need to reinstate the clarity of our co-operative forebears in focusing on just what co-operatives can do today.

I believe that co-ops are the bridge, the conduit between local communities and local people and the global market. We can re-engage people with their local world and help them to place themselves in the context of the global world.

Is this too ambitious? Our founding fathers had a vision and look what happened. The time they were living in was equally tumultuous, equally challenging.

So how do we do it? Of course, every country, each region, all peoples will have a different co-operative profile, be at a different stage of their domestic development, confront different challenges, have different opportunities So, how?

Well let me give you our thinking, based on our situation and our challenges and opportunities in the United Kingdom co-operative movement.

By accident rather than design, in the last three or four years, there has been a coming together of the wider co-operative family in the UK. Driven by the need to regionalize if we are to gain support, but more importantly funding, from government, we are pulling together our powerful consumer co-ops with the smaller sectors of housing co-ops, worker co-ops, credit unions and so on.

Of course, we have always had dialogue between the sectors, but it was always on a superficial level, always a non-essential part of our business. Now it is fundamental. Now there is a more general awareness of opportunity – that by working together we can secure a greater expansion and benefit for co-operative development, than we can by working separately. That experience has engendered a greater sense of trust and confidence between us and less suspicion of our sectoral motives than has existed for decades.

It has also led to the ideas people, the co-operative innovators, reaching out to new segments of our local communities in a desire to reawaken the knowledge and experience of co-operation on the ground.

For the young new co-op forms designed to involve them locally.

Firstly, the hugely successful football co-ops. In the past, fans of a local football club would be influential in the running of that club – today, football is big business, successful clubs are floated on the stock market and it is the corporate investors who call the shots. Of course, fans can buy shares in their football club, but what good is the handful of shares that most fans can buy, when compared to the corporate thousands.

On their own, of course, those shares held by individual fans give little influence to their owners. But combined, now that's a different matter.

And so our football co-ops came into existence. Pooling the shares of all the individual fans into a co-operative has given the fans an opportunity to, not only hold significant common shareholdings, but in many instances now, to be able to sit on the Board of their local football club. And one football club has become wholly owned by the co-operative. Started just three years ago, over forty football clubs now have supporters co-ops – giving back to fans something that had disappeared from their horizon. What a culture shock for us in the Co-operative Union to have the most unusual co-operators asking for information on how to run a co-op and even asking for help on good governance of their football co-op!

So powerful has that model become that work is now being carried out to look at forming a similar model for the employee shareholders in large private sector companies. Can you imagine any greater irony than an employee co-operative securing places on the Boards of large 'blue chip' companies! Isn't that what we mean by empowering people, encouraging participation in the workplace, developing worker knowledge and information on their own company.

Just a few weeks ago we launched the first ever wholly co-operative students union in the UK. With the active support of the National Union of Students, the local Co-op is working with the new student's union co-op helping to mentor the new co-op leaders, developing their understanding of how to manage and administer their co-op. Can this really be the same old co-op?

Working with our credit union colleagues, some of the traditional consumer co-ops have opened up co-op shops as collecting points for local community credit unions. But not just as a cash taking exercise – this is much more sophisticated. Credit Union members are now able to use the plastic dividend card of retail co-op stores, to deposit and withdraw savings with the credit union.

This co-operation between co-operatives avoids an undue work burden on credit union volunteers, it deals with the increasingly worrying security concerns for local credit unions and, of course, it brings members of credit unions into the shops of consumer co-ops.

As the transfer of public services in the UK from public to private provision continues, the co-operative movement is opening up the door to those very structures that can offer a middle path in tune with community desires and often local political imperatives. Whilst the sterile debate rages in our press about degree of private involvement in the public services, we are set to launch in the coming weeks a new co-operative model of residential care for the elderly working hand in glove with the major public sector trade union. We are establishing a network of co-operative childcare provision, seeking co-operatively owned and run learning centers and are looking imaginatively at ways we can actively help develop the UK's rural economy which has been so devastated by the dual scourges of 'mad cow' and then foot and mouth disease.

All of this designed to ensure that local people remain in ownership and control of local community facilities designed and used by local people.

The important fact is that all of these sectors are new for British co-operation. They are areas in which we have been wholly or almost wholly absent until now.

At the same time, the ground breaking report produced by the Co-operative Commission established with the sponsorship of the British Prime Minister, has shown the way forward if we are to secure a stronger performance for consumer co-ops, and has demanded that the movement rededicate itself to its social agenda in order to guarantee the benefits of our virtuous circle, that is our clear social agenda providing us with a competitive advantage, leading to commercial success which in itself allows us to invest yet more in our social agenda.

Now, you in your co-ops in your country may already be doing all the things that we are just setting out to do in the UK. In fact, we have learned a great deal from our sister organizations in other countries as we have sought to reinvigorate ourselves. And please be clear, I'm not saying that our development is the way forward for all.

The message that I would like to leave with you is that we must keep in touch with the wider evolution of the economy in the global market. We must keep in touch with the sense of political change that is driving the global economy. We must capture those local demands, whatever they are, that is right for each country or each region.

For too long co-operation has been seen as yesterday's answers with nothing to offer for today's questions. We in this room know that the truth is otherwise. It is, fellow co-operators, up to us to deliver a different verdict on our co-operative generation.