

Editorial

This issue of the *Journal* once again reflects the diversity of the co-operative movement and its international reach. I think there will be something of interest to everyone. There are even some ideas for new spheres of co-operative activity.

Our rural co-operation contribution from the Plunkett Foundation in this issue comes from Antonio Romero of the University of Granada in Spain. His paper focuses on worker co-operatives in Andalusia. It explores the extent to which 'psychosocial and economic malfunctioning' account for the relatively high failure rate of such organisations in this region of Spain. This provides a stimulating insight into the interaction between democratic processes and worker co-operative responses to market forces. The paper is a comprehensive treatment and should have appeal to a wide readership.

Following his contribution on co-operative opportunities and advantages in the April issue of this *Journal*, Cliff Mills offers a legal perspective on a more specific area of interest: the nature of distributions. The paper draws the appropriate distinctions between the relatively narrow objectives of private enterprise and the wider purpose of co-operatives. That wider purpose broadens the scope for distributions. This contribution outlines the legal constraints in the UK and emphasises the potential for distributions to play their part in the 'virtuous circle' comprising commercial success, social goals, and competitive advantage featured in the 2001 Co-operative Commission report.

This is followed by a paper from Paul Salveson on a very topical subject in the UK at present. It looks at the potential for co-operative organisation of the rail network. Whilst acknowledging that a wholesale switch is unlikely, the paper notes the potential to provide a community-based solution for rural lines which continue to suffer from neglect and are currently managed from a distance. It includes a reflection on the interests of other stakeholders and offers a practical way forward.

The refereed section of this issue includes two very different papers. The first of these is by Jack Quarter and Jorge Sousa, which questions the virtue of distinguishing between co-operatives and mutual non-profits on the basis of corporate status, when they are both member-based organisations. The authors argue the utility of adopting a social economy perspective to our understanding of these matters. This is founded in part by reference to earlier research conducted in the Canadian province of Ontario featuring large samples of each organisational type. The argument is further

supported by testing mutual non-profit organisations against a practical interpretation of the internationally recognised, co-operative principles.

The second paper was originally presented to the ICA's research conference in Oslo in August 2000, Olive McCarthy and Michael Ward focus on communications within co-operatives. Whilst the context of their substantial research is Irish credit unions, their findings have wider implications. The paper explores the general significance of communicating effectively for co-operatives, before focusing on the experience of the membership in relation to their credit union. It is interesting but not perhaps surprising, to note the low rating scored by formal mechanisms such as the annual report and the annual general meeting as channels of communication. The paper notes the current modest role of information technology in Irish credit union member communications. Further development is recommended whilst reserving judgement on the extent of its likely future impact.

This issue concludes with a report from Iain Williamson on this Society's annual conference, held for the first time and with some mixed feelings, at the University of Leicester. In the event the conference was a huge success.

I would like to thank all the contributors to the journal this year and I hope that subscribers have enjoyed their reading.

James Bell
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