

Editorial

In this issue of the *Journal* we really provide value for money - by omitting the review section and letting the Journal length increase, we have managed to pack in one short article and four longer, refereed articles. The next - August - issue will be given over to a report on one important research project, and we felt that the issues raised in these articles are so urgent and important it would be unfair to make any of them wait until the next but one issue, in December.

Daniel Coleman provides a case study in a new type of co-operative. There are strong arguments that in any productive enterprise all interests should be recognised, and that the organisation should be held in some way accountable to them (cf. the UK Co-operative Bank's reports to stakeholders). Some people go further, arguing that in co-operatives there is an opportunity for both the main stakeholders - workers and customers - to have joint ownership and control. Coleman reports on how the Weaver Street Market in North Carolina was designed as a 'hybrid form' to put this principle into practice. He finds that the results have been mixed, but he remains positive about the potential for such a form and suggests some interesting ways in which incentives can be provided to encourage worker and customer participation.

Suzie Scott also provides a case study, of one of the most successful tenant management co-ops in Britain, as part of a wider investigation of the development of tenant management and of the differences in policy between Scotland and England. I was particularly interested to receive this paper, because Speirs Tenant Management Co-operative was one of six case studies I undertook for a book on housing co-ops (Birchall, 1988) - this paper provides, among other things, an update on my own work. It provides a detailed analysis of the history and current position of this interesting form of co-operative and evaluates the performance of Speirs in relation to communitarian theory and co-operative principles.

Antti Miettinen and Anders Nordlund compare the co-operative provision of welfare services in Finland and Sweden. They ask an important question - given similar circumstances, needs and policies in two different countries, why do co-operatives develop more in one country than in the other? It is an extremely difficult question to answer, but they are helped by the similarity between the two countries which enables them to hold certain factors constant. They are both progressive welfare states, undergoing a process of decentralisation to local authorities coupled with cuts in

public spending. The key differences are the policies of the local authorities. They investigate the views of political parties and find that these correlate with the numbers of co-ops in Sweden but not in Finland (though in both countries politicians on all sides say they support co-ops). Their suggestion is that local government officials and union representatives may be more influential in limiting the growth of co-operatives. We need to study the self-interested action of public sector providers of services; anyone conducting such a study is encouraged to submit it to the Journal.

A few years ago, the United Nations published an exhaustive but not easily readable study of co-operatives in health and social care services throughout the world. I had been trying to persuade the authors to write this up as an article, and so was pleased when Gabriele Ullrich submitted her paper drawing on this and other reports. After describing innovative forms in several countries, the article discusses complex questions concerning the relationship of co-ops to public and private for-profit forms. It concludes that their advantages lie in their relationship with their members and their responsiveness to patients' needs rather than in making cost savings compared with other types of providers.

Recently, the International Co-operative Alliance published a series of detailed reports on co-operative sectors in the ex-communist countries of central and eastern Europe. In my own book on the international co-operative movement (Birchall, 1997) I was able to draw on this work but could find nothing to say about the countries that were formally part of the Soviet Union, now known as the Commonwealth of Independent States (CIS): countries such as Armenia, Georgia, Azerbaijan and Ukraine. The article by Altshoul, Mavrogiannis and Ouglev fills this important gap, surveying 12 countries and concluding that, in the transition from a centrally-planned to a free market economy, they have done little to strengthen and renew their co-operative sectors. Despite the non-supportive official environment and the self-destruction of some co-ops by their managers for private gain, the message is that there are opportunities for co-operatives. The authors conclude that co-ops need a unified model law and support from both inside and outside the CIS. Most important of all, they need a change in attitudes and a strengthening of resolve and a capacity for self-criticism among their members.

References

- Birchall, J. (1988). *Building communities: The co-operative way*. Routledge
Birchall, J. (1997). *The international co-operative movement*. Manchester University Press.