

# Editorial

The articles and book review in this issue of the Journal present some of the fundamental and enduring areas of interest surrounding co-operatives — co-operative principles and the co-operative difference in relation to democratic ideas, autonomy and collaboration and the success and impact of co-operative enterprise. Our first paper, from Francisco Torres Pérez was first presented at the International Co-operative Alliance Research Conference held in Almeria, Spain in May this year. The conference focused on new strategies for co-operatives, specifically in understanding and managing co-operative creation, transition and transformation.

Francisco Torres Pérez's paper considers two perceived threats to the co-operative movement — on one hand the rules and regulations that might constrain the desired autonomy of co-operatives and on the other, what he refers to as the "rise of spontaneous and unregulated forms of collaboration". When looking at some of the necessary safeguards of co-operative principles and regulations and the role of the state in encouraging democratic forms of participation, Torres Pérez points out that administrative and legislative frameworks need to be mindful of the social role of co-operatives. This he suggests, particularly where co-operatives are legally defined, supports recognition of the distinctive feature of co-operatives. Yet he cites Münkner (2015) in identifying that the revision in co-operative laws in Europe has been accompanied by a shift from "clear and simple rules to complex and complicated, detailed sets of regulations". This leads to the central question of this paper as to whether overregulation has supported the economic growth of collaborative and participatory consumption in, for example travel, car-sharing, music/video streaming etc — and the "controversial *modus operandi*" of some of the major players in the collaborative economy, at the expense of co-operative societies whose autonomy is often stifled. Spain is used as an example to explore this phenomenon in terms of appropriate regulation and proportionality although Torres Pérez also points to the need for flexible interpretation of principles of autonomy, democratic member control and economic participation in order to adapt to the challenges of the new collaborative economy.

The debate offered by Torres Pérez is of interest as there has been, to date, limited research in the field of co-operative law by academic scholars studying this type of entity. This is the focus of our second paper from Alberto Atxaba Rada. Dr Atxaba is a member of the research team "Co-operatives, Taxation, Labour Relations and Social Protection" and has specific interest in the regional tax system and the Economic Agreement within the Basque Country. His paper points to a growing European scepticism of co-operative difference and an accompanying perception of convergence between co-operatives and other forms of capital companies. He outlines further confusion caused by the rise in alternative forms of enterprise — social enterprise and employee-ownership — together with ethical corporate and privately owned forms of business and corporate social responsibility. There is a need, he suggests, for clarity around the definition and distinctiveness of co-operative enterprise and how this message or 'brand' can be communicated. He focuses on the need to identify co-operative difference and the value of democracy in relation to this need. Bringing economic (and other) resources under democratic control is seen as promoting different, and better, business.

The paper provides an overview of different types of business and their similarities and differences with co-operatives. Attention then turns to Spain's Social Economy Act, which includes, but is not exclusive to, co-operatives. In order to illuminate this in more detail the paper considers the case of the 'social firm' — where again a uniform concept of definition is not shared across Europe, and where such companies can be incorporated as capital companies. Similarly, the lack of distinction between co-operativism and mutuality has caused problems for Spanish co-operatives. Italy also becomes part of the focus in regard to this as well as its favourable taxation system for co-operatives and the ruling of the European Court of Justice in 2001 on co-operative distinctiveness. In all cases, though, the author maintains that democratic ownership and management is a distinguishing factor for co-operatives against other social and economic forms.

Our final peer-reviewed paper comes from South Africa, where co-operatives are seen as important contributors to socio-economic development. Here Thembinkosi Twalo provides us with a brief overview of the development of co-operatives and the South African Co-operatives Act (2005). Twalo considers how the success of co-operatives may be compromised by a lack of information about and understanding of co-operatives. This leaves many co-operatives struggling to access resources and support that might increase viability and avoid failure. The paper is based on evaluation of the progress made in skills development for small-medium enterprises and co-operatives, since the implementation of a development strategy over 10 years ago. Yet, still, the lack of reliable and accurate data — on for example, active and dormant co-operatives — hinders appropriate planning and intervention. Twalo proposes a tracking system using mobile technologies (cell phones) as one solution. Two particular issues are identified as needing to be overcome to support such action — restrictive government frameworks and strict bureaucratic processes, and the structural disconnection of some of the community-based co-operatives operating in informal economies. Twalo provides an example of where the survival rate of co-operatives has improved and where information on co-operative legislation has been translated into the indigenous language spoken in that province. He suggests therefore that while there may be a skills deficit in some co-operatives that may affect survival rates, this is not the only issue.

Twalo identifies problems where co-operatives have been set up through top-down government initiatives, where support is focused on start-up leaving co-operatives vulnerable in tough times. Successful business models and co-operative partnerships in other parts of the country may also, he suggests, provide examples of good practice that could be transferred and replicated in other areas. He suggests the resilience and sustainability of co-operatives needs further investigation, including: skills and levels of business experience, location, optimal membership numbers, and member demographics.

Ian Adderley brings this issue — and this volume — to a close with a review of Tom Webb's recent publication, *From corporate globalisation to global co-operation. We owe it to our children*, which Adderley describes as a "tour de force assessment" of the impact of neo-liberalism and the need for action.

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