

Co-operation, wealth and entrepreneurship in the 21st century

Tony Webster 2 September 2017



Welcome to Northumbria Business School!

- ▶ Business school has a new undergraduate module starting in September that will focus on social economy - co-ops, mutuals, social enterprises
- ▶ All 800+ second year students will be engaged with regional and international enterprises working on live issues and projects
- ▶ This will link into the business clinic for final year students.
- ▶ New MBA also focuses on responsible leadership, including co-ops and mutuals.
- ▶ Dept of Humanities & Business School = actively engaged in initiatives to promote community enterprise in Walker in Newcastle
- ▶ Theme of my opening speech reflects the fact that nearly 10 yrs after the Great Crash of 2008 the world appears to STILL be at a turning point - and that this opens new opportunities to make the 21st century truly one of co-operation.
- ▶ Popular perceptions of business practice, purpose and leadership - a cultural problem?

Thought number 1: Harold Wilson, the meaning of wealth and a school debate in January 1974



Wealth - and the need to redefine it

- ▶ Popular conception of wealth:
- ▶ Money
- ▶ Individual/corporate ownership and property
- ▶ Gradual eclipse of the idea of 'common wealth', that wealth incorporates wider notions of social health, security and that there is such a thing as 'public wealth'
- ▶ The concept has to be revived as a popular phenomenon!
- ▶ The notion that wealth is a COLLECTIVE AND SOCIAL ENTITY and not just owned by individuals, corporations or the state - but by wider communities
- ▶ Notion that there is a MORAL dimension - creating wealth is much, much more than individual enrichment - CHALLENGING THE MYTH OF 'GREED IS GOOD'
- ▶ Importance of co-ops and community enterprises in reviving this notion at the local level

Thought number 2: The meaning of entrepreneurship & leadership



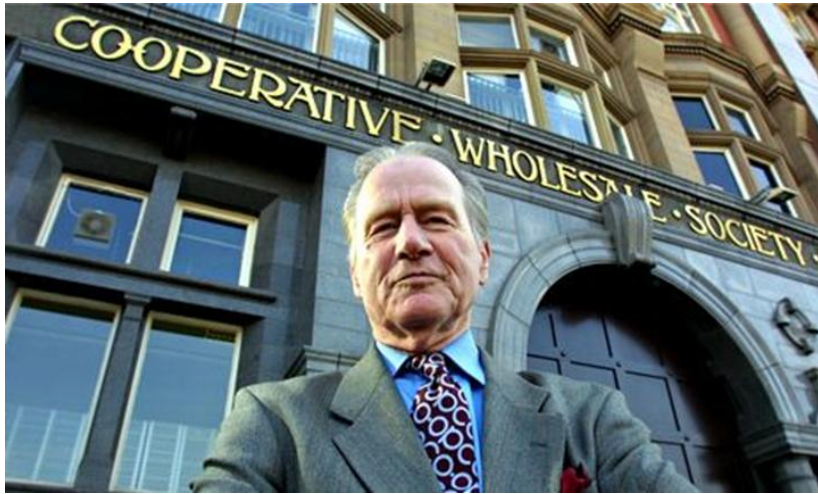
Great successes of the Apprentice...



Co-operative & collective entrepreneurship & leadership

- ▶ Challenging the notion of the primacy of the individual entrepreneur
- ▶ Promotion of notion that wealth creation is a collective enterprise and that entrepreneurship is frequently a collective endeavour
- ▶ Moving away from the notion of the individual business dictator - democratising notions of leadership!
- ▶ Role of education and social media in challenging cultural dominance of individual entrepreneurship and dictatorial business leadership
- ▶ The case for community and co-operative enterprise is strong - especially in tackling material inequality
- ▶ The success of 'social enterprise' (CABINET OFFICE) - 38% of all social enterprises work in the most deprived 20% of communities in the UK, compared to 12% of traditional SMEs.
- ▶ Social enterprises are far more likely to be led by women than mainstream businesses. 38% of social enterprises have a female leader, compared with 19% of SMEs and 3% of FTSE 100 companies.
- ▶ 15% of social enterprise leaders are from Black, Asian and Minority Ethnic (BAME) communities. 28% of social enterprise leadership teams have BAME directors. Only 11% of SMEs report having directors from a BAME background.

Thought Number 3: The public image problem of co-operation in the UK



How to change perceptions of co-operation & co-operatives?

- ▶ Moving away from the dominance of the Co-operative group & Consumer Co-operation as the dominant images
- ▶ Working in tandem with other forms of social enterprise & mutual
- ▶ Targeting the young! Education & social media!
- ▶ Raising awareness of a rich variety of international models
- ▶ Capturing the shift in prevailing ideology and political circumstances:
 - The ongoing crisis of neo-liberalism & the growing confidence of new ideas (Portugal? Corbynism?)
 - The shift to devolution & localism - how to rebuild local economies
 - BREXIT - building new strands of co-operative international solidarity & commercial activity?