

Book Reviews

Co-operatives and the Millennium Development Goals

By Johnston Birchall

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Reviewed by Rita Rhodes

What is wrong with co-operatives? It seems a valid question for all advocates of this organisational form to ask when we feel a constant need to make impassioned pleas concerning the role which co-operatives can and should play in public policy at national and international levels. In this context, *Co-operatives and the Millennium Development Goals* is a very well informed, and competently written example of its genre. The concern is that it is simply the next in a long line of its kind which seems destined to the same fate as its predecessors, to have a limited impact on the policies it seeks to influence.

Johnston Birchall demonstrates impressive knowledge of his subject matter, both with regard to the Millennium Development Goals (MDG) approach and the breadth and depth of the international co-operative movement. The publication does not pretend to adopt an objective, academic approach to its subject matter. Rather, it sets out the case for the role of co-operatives and effectively challenges the reader to either agree or disagree. In doing so the publication serves as a useful reference guide to the current state of the international co-operative movement and its relationship to international organisations and policy processes.

The book will increase the knowledge of co-operative novices and experts alike. For the uninitiated the opening sections explain the essential characteristics of co-operative-type organisations in an intelligible and lucid manner. For co-operative specialists the range of examples provided and the wealth of historical detail will almost certainly add to their knowledge and increase the supply of their own reference material.

However, the strength of the publication is also its weakness. For whilst there is a wealth of detailed and impressive evidence of the positive benefits of the co-operative form of organisation, this offers little in the way of scientific proof that co-operatives are more, or less, effective than any other form of organisation. Indeed, it would be quite possible

to fill a book with examples of how investor-owned companies have resulted in positive and uplifting benefits for their participants, but this would provide equally weak evidence, from a scientific point of view, that these forms of organisation should be afforded special status in pursuit of the Millennium Development Goals.

Indeed, the conclusions of the book appear to be somewhat contradictory. Birchall acknowledges that co-operatives should not be regarded as a panacea for all evils and that rather, it is a case of horses for courses when selecting institutional mechanisms to achieve public goals. On the other hand, however, he makes quite extraordinary requests for the extent to which governments should support co-operatives, going as far as saying that "they should encourage the population to join co-operatives and provide revolving funds for their expansion". As a result, I am left wondering whether these characteristics of the book are part of the wider co-operative problem. For the greater the ferocity with which advocates sing the praises of the co-operative form of organisation, it seems the more suspicious policy-makers become of these claims.

In this respect, the experience of the UK, used extensively in the book, provides an illuminating case example. Here, despite the relative success of the co-operative sector in many fields, policy makers show the same reluctance to embrace the term co-operative as do international development organisations. Despite this, and somewhat paradoxically, there is currently a greater level of policy support for co-operative-type approaches than at any time in recent memory. It is just that policy makers do not seem inclined to use the dreaded C word. In food and agriculture, the Government has embedded support for farmer collaboration in its Sustainable Strategy for Farming and Food. Public sector organisations at all levels are also trying to outbid each other in their support for social enterprise, despite being unwilling to admit that

most of these have essentially co-operative structures.

Perhaps it is time for co-operative advocates to adopt similar approaches at the international level. As the brand-managers of in-vogue social enterprise label have successfully pointed out, alongside the public, private and voluntary sectors, there is a fourth sector composed of organisations which trade for a social purpose. Many, but not all of these, are co-operatives. It would be difficult to think of any organisation form within the public, private or voluntary sectors which its advocates defend with the same zealous determination as the co-operative model. Is it not time, therefore, to begin to advocate the broader characteristics of co-operative organisation, such as social ownership, people-centred objectives and their enterprise-base, rather than their precise organisational form?

Johnston Birchall points out that one of the reasons why the world development community

turned its backs on the co-operative model was that many governments in developing countries placed too much faith in its ability to target and tackle socially and economically disadvantaged groups. In effect, they caused almost irretrievable damage to the brand in development circles through their misuse of the model. The key question is, therefore, whether it is more effective to continue to promote the co-operative brand, rather than the characteristics which we believe make it so effective.

Despite, or perhaps even because of, these reflections, the book deserves to be read. It does challenge the reader. However, whilst I am a believer in co-operative approaches – when the circumstances are right for them – I remain concerned that the arguments presented in the book are insufficiently robust to convince disbelievers or agnostics. I wonder, moreover, whether the co-operative brand can be sold at all in the manner in which Birchall would like to these groups.