



Co-operative principles: Variations and adaptations

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As many will be aware 2020 will be the 25th anniversary of the 1995 statement of identity and the revision of the co-operative values and principles. The following table provides an overview of the adaptations and variations of the Principles from 1844 to 1995.

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Rochdale Rules 1844, 1845, 1854, (Fairburn, 1994, pp. 8-9)	Membership open and voluntary		Economic participation Share capital to receive only limited return Distribution of portion of share capital based on patronage		Cash Trading	Democracy: elected officers: one member one vote introduced in 1845		Education Added in 1854 2.5% of annual surplus before distribution deducted	Dissolution — assets to be donated to charity or other disinterested institution (i.e., not sold for benefit of members) 1854			
Rochdale Practices 1860 (Fairburn, 1994, p.19; Bonner 1961, p.48) Membership not referred to but still on statutes	That capital should be of their own providing and bear a fixed rate of interest	That only the purest provisions procurable should be supplied to members	That full weight and measure should be given		That market prices should be charged, and no credit given nor asked	That profits should be divided pro rata upon the amount of purchases made by each member Fairbairn notes in line with 1854 statute)		That the principle of “one member one vote” should obtain in government and the equality of the sexes in membership	That the management should be in the hands of officers and committee elected periodically	That a definite percentage of profits should be allotted to education	That frequent statements and balance sheets should be presented to members	
Raiffeisen principles @ 1866 (Henry, 2005) [financial co-ops]	Self-help – members serve themselves by means of a specific enterprise		Self-responsibility		Self-administration		Local bond	Multi-purpose co-operative	Co-operation among co-operatives		Voluntariness	
Principles in Agriculture (Barton 1989, in Zeuli & Cropp, 2004, p. 9)	Voting is by members on a democratic (one-member, one-vote) basis	Membership is open	Equity is provided by members	Equity ownership share of individual members is limited	Net income is distributed to members as patronage refunds on a cost basis	Dividends on equity capital are limited	Exchange of goods and services at market prices	Duty to educate	Cash trading only	No unusual risk assumption	Political and religious neutrality	Equality in membership (no discrimination by gender)

The Rochdale principles (Lambert, 1959 in Fairburn 1994, p. 28)	Democratic control	Rules governing the accumulation and distribution of the surplus and the treatment of the net assets:		Freedom for new members to join (principle of the open door)	Voluntary membership	Cash purchase and sale	Political and religious neutrality	Education of the members	Determination to take over the world's economic and social system and to reorganise it on co-operative lines i.e. to achieve the "co-operative commonwealth"
		<ul style="list-style-type: none"> • distribution of the surplus among the members in proportion to their purchases • payment of limited interest on capital • sale at market prices • dispersal of the net assets without profit to the members in the event of dissolution of the society • spirit of service (promotion of the members' interests only in so far as the latter are consistent with the general interests of the community) 							
Cole, 1944	Democratic control	Open membership	Fixed or limited interest on capital subscribed to the Society	Distribution of the surplus, after payment of interest and collective charges, in dividend to the members in proportion to their purchases		Cash trading, no credit	Selling only pure and unadulterated goods	Providing for education of members in co-operative principles as well as for mutual trading	Political and religious neutrality
ICA Congress 1937 (Cole, 1944)	Open membership (open and voluntary membership)	Democratic control (allowed for shift from one member one vote as some have voting according to the volume of transactions of their affiliated bodies i.e., for federal organisations inc. some consumer societies)		Distribution of the surplus to the members in proportion to their transactions	Limited interest on capital	Political and religious neutrality		Cash trading	Promotion of education
First four obligatory for membership of ICA									
ICA Congress 1966 (Watkins, 1986, p.8)	Membership should be voluntary and available without artificial restriction or any political, racial or religious discrimination, to all who can make use of its services and are willing to accept the responsibilities of membership	Co-operatives are democratic organisations whose affairs are administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies – equal rights of voting (one member, one vote). In other than primary societies the administration should be conducted on a democratic basis in a suitable form		Share capital should receive strictly limited interest, if any	Surplus or savings, if any, arising out of the operation of the society belongs to members of that society and should be distributed in a manner to avoid one member gaining at the expense of others	All societies should make provision for the education of their members, officers, and employees and the general public, in the principles and techniques of co-operation, both economic and democratic		All co-operative organisations, in order to best serve the interests of their members and their communities, should actively co-operate in every practical way with other co-operatives at local, national and international levels	
To be observed by all 'genuine co-operatives' at all times									

Watkins 1986 (Fairburn 1994, p 34)	Association (or Unity)	Economic advantage	Democracy	Equity	Liberty	Responsibility	Education
Co-operative Basics (Book, 1992) Fairburn, 1994 p. 36	Basic Values <ul style="list-style-type: none"> • Equality (democracy) and Equity (social justice) • Voluntary and Mutual Self-help (solidarity and self-reliance) Social and Economic Emancipation 		Basic Ethics <ul style="list-style-type: none"> • Honesty • Caring (humanity) • Pluralism (democratic approach) • Constructiveness (faith in the co-operative way) 	Basic Principles <ul style="list-style-type: none"> • Association of persons • Efficient member promotion • Democratic management and member participation • Autonomy and independence • Identity and unity • Education • Fair distribution of benefits • Co-operation, nationally and internationally 		Basic Global Values <ul style="list-style-type: none"> • Economic activities for meeting needs • Participatory democracy • Human resource development • Social responsibility • National and international co-operation 	
ICA Congress 1995	Voluntary and open membership	Democratic member control	Member economic participation	Autonomy and independence	Education, training and information	Co-operation among co-operatives	Concern for community