

## Editorial

The international research conference, *Reclaiming the Economy: The Role of Co-operative Enterprise, Ownership and Control*, organised by The Wales Institute for Research into Co-operatives (WIRC), took place at the University of Wales, Cardiff (UWIC), from 6 to 8 September 2006. It was immediately followed by the annual general meeting and conference of the UK Society for Co-operative Studies, *Living the Vision: Co-operative Principles in Contemporary Practice*. This Journal edition is a special conference issue which brings together a selection of the academic research papers given at the WIRC conference and some of the presentations and practice-oriented reflections that took place at the UKSCS annual conference.

Molly Scott Cato, lecturer in Social Economy at WIRC, explains in her report of the WIRC conference, that the motivating force behind its organisation was the desire to raise the profile of international co-operative research and “to discover how far we are right in thinking that this research field is not nearly as developed as it should be”. Certainly, the conference succeeded in demonstrating, through the large number of papers submitted, the wealth and the breadth of international research into a range of aspects of co-operative philosophy, legislation, organisation and management. As Molly recounts, the papers stimulated a lively and interesting debate and their publication, here and elsewhere, will undoubtedly contribute to raising the profile of research within the sector. However, the realisation that much of this research, undertaken by individuals committed to the value of co-operation, is not always fully recognised, or appreciated, by universities or mainstream management schools, does support the conclusion, suggested by the conference organisers, that co-operative research is far from being as developed, or as influential, as it could and should be. Co-operative researchers are continually faced with the challenge of convincing the institutions and organisations within the global economy that the co-operative model of economic organisation

is a viable and sustainable mainstream alternative.

Four WIRC conference papers were chosen for publication in this Journal edition on the basis that they all offered an analysis of how co-operation is making a difference within the global social economy. Antonie van Rensburg, of the University of Pretoria, South Africa, offers a theoretical and practical perspective on the *Role of Co-operatives in Economic Growth and Poverty Reduction in South Africa*. He presents an economic development model that has enabled co-operatives to create wealth in some of the poorest rural communities of South Africa through microfinance activities. Interestingly, he argues that the core of wealth creation lies in the mobilisation of savings through the co-operative structure. In both developed and under-developed countries, credit unions, as co-operative institutions, have contributed significantly to the social and economic development of communities. Alan Robb and Neil A Crombie in their paper, *Defeating a Demutualisation: a Case Study*, offer an analysis of a real threat to co-operation that can arise when boards of directors and managers who put co-operative values and principles to one side. In 2003, the members of Connect Credit Union in Tasmania, Australia, were suddenly told that the Board proposed demutualising and was seeking a listing on the Australian share market. The paper examines the successful defeat of this surprise proposal by the credit union members themselves and provides lessons for other co-operatives and mutuals that may face unwanted calls for demutualisation.

Two of the WIRC conference papers explore issues of co-operative identity and legislation in Europe. Gábor G Szabó, of Hungarian Academy of Sciences, in his paper, *‘Co-operative Identity’ – a Concept for Economic Analysis and Evaluation of Co-operative Flexibility: the Dutch Practice and the Hungarian Reality in the Dairy Sector*, explores the role of dairy co-operatives, and the challenges they face, in operating within an increasingly market-oriented and competitive environment. Marta Montero and

Alfonso C Morales, of the University of Cordoba, Spain, in their paper, *Taxation on Social Enterprises: the Case of Spanish Co-operatives*, offer a technical analysis of issues of the fiscal situation of Spanish co-operatives particularly in relation to those co-operatives that tackle unemployment and offer training and job opportunities to people excluded from the mainstream. This paper is a translation from Spanish; the original Spanish paper is available from the authors.

All the peer reviewed, academic papers in this edition originate outside of the UK. However, the transcription of the panel debate, *What Future for Co-operatives in Food Retailing*, which took place at the UKSCS conference, offers a range of insights and perspectives of UK co-operative retailing from people involved in very divergent parts of the sector. Given the current developments in merger activity in the retail co-operative sector, I am sure readers will find this transcription to be fascinating reading. This debate is complemented by Bob Cannell's presentation at the UKSCS conference recorded in his article, *Employment Law vs Democracy: How Suma is Governed and How this May be Threatened by Statutory*

*Employee Rights*. Bob Cannell is the personnel manager at Suma Wholefoods and a partner at Co-operative Business Consultants. He offers a model of co-operative governance and management that is both challenging and stimulating.

One of the major aims of the WIRC conference was to ensure that co-operative research was more widely disseminated and that it made a greater impact in universities and management schools worldwide. To this end, the Journal of Co-operative Studies will be, from this edition onwards, accessible electronically to universities, academic institutions and suscribing members via Ingenta, the international online publishing service. Members will continue to receive a printed paper copy of the Journal as before. However, through Ingenta, thousands more academics, students and co-operators will have the opportunity to find, access and read Journal papers.

**Paul A Jones**

School of Applied Social and Community Studies  
Liverpool John Moores University  
December 2006