

# Cooperative

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A **cooperative** (also known as **co-operative**, **co-op** or **coop**) is an autonomous association of people united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled business.<sup>[1]</sup> Cooperatives include non-profit community organizations and businesses that are owned and managed by the people who use their services (a consumer cooperative); by the people who work there (a worker cooperative); by the people who live there (a housing cooperative); hybrids such as worker cooperatives that are also consumer cooperatives or credit unions; multi-stakeholder cooperatives such as those that bring together civil society and local actors to deliver community needs; and second and third tier cooperatives whose members are other cooperatives. It was estimated that in 2012 approximately one billion people were members of at least one cooperative<sup>[2]</sup> and that the turnover of the largest three hundred cooperatives in the world reached \$2.2 trillion – which, if they were to be a country, it would make them the seventh largest.<sup>[3]</sup>



The volunteer board of a retail consumers' cooperative, such as the former Oxford, Swindon & Gloucester Co-op, is held to account at an annual general meeting of members

In short, a coop can be defined as "a jointly owned enterprise engaging in the production or distribution of goods or the supplying of services, operated by its members for their mutual benefit, typically organized by consumers or farmers."<sup>[4]</sup> Cooperative businesses are typically more economically resilient than many other forms of enterprise, with twice the number of co-operatives (80%) surviving their first five years compared with other business ownership models (41%).<sup>[5]</sup> Cooperatives frequently have social goals which they aim to accomplish by investing a proportion of trading profits back into their communities. As an example of this, in 2013, retail co-operatives in the UK invested 6.9% of their pre-tax profits in the communities in which they trade as compared with 2.4% for other rival supermarkets.<sup>[6]</sup>

The International Co-operative Alliance was the first international association formed by the cooperative movement. It includes the World Council of Credit Unions. A second organization was formed later in Germany, the International Raiffeisen Union. In the United States, the National Cooperative Business Association (NCBA) serves as the sector's oldest national membership association. It is dedicated to ensuring that cooperative businesses have the same opportunities as other businesses operating in the country and that consumers have access to cooperatives in the marketplace. A U.S. National Cooperative Bank was formed in the 1970s. By 2004, a new association focused on worker co-ops was founded, the United States Federation of Worker Cooperatives.

Since 2002 cooperatives and credit unions could be distinguished on the Internet by use of a .coop domain. Since 2014, following International Cooperative Alliance's introduction of the Cooperative Marque, ICA cooperatives and WOCCU credit unions can also be identified by a coop ethical consumerism label.

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## Origins

Cooperation dates back as far as human beings have been organizing for mutual benefit. Tribes were organized as cooperative structures, allocating jobs and resources among each other, only trading with the external communities. In alpine environments, trade could only be maintained in organized cooperatives to achieve a useful condition of artificial roads such as Viamala in 1472.<sup>[7]</sup> Pre-industrial Europe is home to the first cooperatives from an industrial context.<sup>[8]</sup>

In 1761, the Fenwick Weavers' Society was formed in Fenwick, East Ayrshire, Scotland to sell discounted oatmeal to local workers.<sup>[9]</sup> Its services expanded to include assistance with savings and loans, emigration and education. In 1810, Welsh social reformer Robert Owen, from Newtown in mid-Wales, and his partners purchased New Lanark mill from Owen's father-in-law David Dale and proceeded to introduce better labour standards including discounted retail shops where profits were passed on to his employees. Owen left New Lanark to pursue other forms of cooperative organization and develop coop ideas through writing and lecture. Cooperative communities were set up in Glasgow, Indiana and Hampshire, although ultimately unsuccessful. In 1828, William King set up a newspaper, *The Cooperator*, to promote Owen's thinking, having already set up a cooperative store in Brighton.,<sup>[10][11]</sup>



Robert Owen (1771–1858) was a social reformer and a pioneer of the cooperative movement.

The Rochdale Society of Equitable Pioneers, founded in 1844, is usually considered the first successful cooperative enterprise, used as a model for modern coops, following the 'Rochdale Principles'. A group of 28 weavers and other artisans in Rochdale, England set up the society to open their own store selling food items they could not otherwise afford. Within ten years there were over a thousand cooperative societies in the United Kingdom.

Other events such as the founding of a friendly society by the Tolpuddle Martyrs in 1832 were key occasions in the creation of organized labor and consumer movements.<sup>[12]</sup>

## Social economy

Cooperatives traditionally combine social benefit interests with capitalistic property-right interests. Cooperatives achieve a mix of social and capital purposes by democratically governing distribution questions by and between equal by not controlling members. Democratic oversight of decisions to equitably distribute assets and other benefits means capital ownership is arranged in a way for social benefit inside the organization. External societal benefit is also encouraged by incorporating the operating-principle of cooperation between co-operatives. In the final year of the 20th century, cooperatives banded together to establish a number of social enterprise agencies which have moved to adopt the multi-stakeholder cooperative model. In the years 1994–2009 the EU and its member nations gradually revised national accounting systems to "make visible" the increasing contribution of social economy organizations.<sup>[13]</sup>

## Organizational and ideological roots

The roots of the cooperative movement can be traced to multiple influences and extend worldwide. In the Anglosphere, post-feudal forms of cooperation between workers and owners that are expressed today as "profit-sharing" and "surplus sharing" arrangements, existed as far back as 1795.<sup>[14]</sup> The key ideological influence on the Anglosphere branch of the cooperative movement, however, was a *rejection* of the charity principles that underpinned welfare reforms when the British government radically revised its Poor Laws in 1834. As both state and church institutions began to routinely distinguish between the 'deserving' and 'undeserving' poor, a movement of friendly societies grew throughout the British Empire based on the principle of mutuality, committed to self-help in the welfare of working people.

Friendly Societies established forums through which one member, one vote was practiced in organisation decision-making. The principles challenged the idea that a person should be an owner of property before being granted a political voice. Throughout the second half of the nineteenth century (and then repeatedly every twenty years or so) there has been a surge in the number of cooperative organisations, both in commercial practice and civil society, operating to advance democracy and universal suffrage as a political principle.<sup>[15]</sup> Friendly Societies and consumer cooperatives became the dominant form of organization amongst working people in Anglosphere industrial societies prior to the rise of trade unions and industrial factories. Weinbren reports that by the end of the 19th century, over 80% of British working age men and 90% of Australian working age men were members of one or more Friendly Society.<sup>[16]</sup>

From the mid-nineteenth century, mutual organisations embraced these ideas in economic enterprises, firstly amongst tradespeople, and later in cooperative stores, educational institutes, financial institutions and industrial enterprises. The common thread (enacted in different ways, and subject to the constraints of various systems of national law) is the principle that an enterprise or association should be owned and controlled by the people it serves, and share any surpluses on the basis of each member's cooperative contribution (as a producer, labourer or consumer) rather than their capacity to invest financial capital.<sup>[17]</sup>

The cooperative movement has been fueled globally by ideas of economic democracy. Economic democracy is a socioeconomic philosophy that suggests an expansion of decision-making power from a small minority of corporate shareholders to a larger majority of public stakeholders. There are many different approaches to thinking about and building economic democracy. Anarchists are committed to libertarian socialism and have focused on local organization, including locally managed cooperatives, linked through confederations of unions, cooperatives and communities. Marxists, who as socialists have likewise held and worked for the goal of democratizing productive and reproductive relationships, often placed a greater strategic emphasis on confronting the larger scales of human organization. As they viewed the capitalist class to be politically, militarily and culturally mobilized for the purpose of maintaining an exploitable working class, they fought in the early 20th century to appropriate from the capitalist class the society's collective political capacity in the form of the state, either through democratic socialism, or through what came to be known as Leninism. Though they regard the state as an unnecessarily oppressive institution, Marxists considered appropriating national and international-scale capitalist institutions and resources (such as the state) to be an important first pillar in creating conditions favorable to solidaristic economies.<sup>[18][19]</sup> With the declining influence of the USSR after the 1960s, socialist strategies pluralized, though economic democratizers have not as yet established a fundamental challenge to the hegemony of global neoliberal capitalism.

## Meaning

### Cooperatives as legal entities

A cooperative is a legal entity owned and democratically controlled by its members. Members often have a close association with the enterprise as producers or consumers of its products or services, or as its employees.<sup>[20]</sup>

There are specific forms of incorporation for cooperatives in some countries, e.g. Finland<sup>[21]</sup> and Australia.<sup>[22]</sup> Cooperatives may take the form of companies limited by shares or by guarantee, partnerships or unincorporated associations. In the UK they may also use the industrial and provident society structure. In the US, cooperatives are often organized as non-capital stock corporations under state-specific cooperative laws. However, they may also be unincorporated associations or business corporations such as limited liability companies or partnerships; such forms are useful when the members want to allow:

1. some members to have a greater share of the control, or
2. some investors to have a return on their capital that exceeds fixed interest,

neither of which may be allowed under local laws for cooperatives. Cooperatives often share their earnings with the membership as dividends, which are divided among the members according to their participation in the enterprise, such as patronage, instead of according to the value of their capital shareholdings (as is done by a joint stock company).

### Identity

#### Coop Marque & domain

Since 2002, ICA cooperatives and WOCCU credit unions could be distinguished by use of a .coop domain. In 2014, ICA introduced the Global Cooperative Marque<sup>[23]</sup> for use by ICA's<sup>[24]</sup> Cooperative members and by WOCCU's Credit Union members so they can be further identified<sup>[25]</sup> by their coop ethical consumerism label. The marque is used today by thousands of cooperatives in more than a hundred countries.<sup>[26]</sup>

The .coop domain and Co-operative Marque were designed as a new symbol of the global cooperative movement and its collective identity in the digital age. The domain and coop marque differentiates coop products and e-services offerings of the Movement from all other forms of business, both investor and privately-owned businesses. It specifically recognises its rapidly changing role in society, marked by the emergence of the digital cooperative. The .coop (dot coop) domain and a global Co-operative Marque are open for use within all types of ICA cooperatives and WOCCU credit unions on their products or digital services, in combination with individual cooperative's own labels.

The Co-operative Marque and domain is reserved just for co-operatives, credit unions and organisations that support co-operatives; is distinguished by its ethical badge that subscribes to the seven ICA Cooperative Principles and Co-op Values. Co-ops can be identified on the Internet through the use of the .coop suffix of internet addresses. Organizations using .coop domain names must adhere to the basic co-op values.

#### Coop Principles and Values

Cooperative Principles are the seven guidelines by which coops put their values into practice, often called the seven Rochdale Principles:<sup>[27]</sup>

1. Voluntary and open membership
2. Democratic member control
3. Economic participation by members
4. Autonomy and independence
5. Education, training and information
6. Cooperation among cooperatives
7. Concern for community

Cooperatives Values, in the tradition of its founders, are based on "self-help, self-responsibility, democracy, equality, equity and solidarity." Co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

## Legal

Such legal entities have a range of social characteristics. Membership is open, meaning that anyone who satisfies certain non-discriminatory conditions may join. Economic benefits are distributed proportionally to each member's level of participation in the cooperative, for instance, by a dividend on sales or purchases, rather than according to capital invested.<sup>[28]</sup> Cooperatives may be classified as either *worker*, *consumer*, *producer*, *purchasing* or *housing* cooperatives.<sup>[29]</sup> They are distinguished from other forms of incorporation in that profit-making or economic stability are balanced by the interests of the community.<sup>[28]</sup>

The United Nations has declared 2012 to be the International Year of Cooperatives (IYC).<sup>[30]</sup>

## Economic stability

Capital and the Debt Trap reports that "cooperatives tend to have a longer life than other types of enterprise, and thus a higher level of entrepreneurial sustainability". A 2013 report published by the UK Office for National Statistics showed that in the UK the rate of survival of cooperatives after five years was 80 percent compared with only 41 percent for all other enterprises.<sup>[31]</sup> A further study found that after ten years 44 percent of cooperatives were still in operation, compared with only 20 percent for all enterprises" (p. 109). This resilience has been attributed to how cooperatives share risks and rewards between members, how they harness the ideas of many and how members have a tangible ownership stake in the business. Additionally, "cooperative banks build up counter-cyclical buffers that function well in case of a crisis," and are less likely to lead members and clients towards a debt trap (p. 216). This is explained by their more democratic governance that reduces perverse incentives and subsequent contributions to economic bubbles.

## Types of cooperatives

### Non-monetary cooperative

A non-monetary cooperative provides a service based on entirely voluntary labour in the maintenance and provision of a particular service or good, working in the identical manner of a library. These co-ops are locally owned and operated and provides the free rental of equipments of all kinds (bicycles, sports, gear). This idea has been said to reduce general human consumption of goods, a key subject in sustainable development.

### Retailers' cooperative

A retailers' cooperative (known as a secondary or marketing cooperative in some countries) is an organization which employs economies of scale on behalf of its members to receive discounts from manufacturers and to pool marketing. It is common for locally owned grocery stores, hardware stores and pharmacies. In this case, the members of the cooperative are businesses rather than individuals.

The Best Western international hotel chain is actually a retailers' cooperative, whose members are hotel operators, although it refers to itself as a "nonprofit membership association." It gave up on the "cooperative" label after some courts insisted on enforcing regulatory requirements for franchisors despite its member-controlled status.

### Worker cooperative

A worker cooperative or producer cooperative is a cooperative, that is owned and democratically controlled by its "worker-owners". There are no outside owners in a "pure" workers' cooperative, only the workers own shares of the business, though hybrid forms exist in which consumers, community members or capitalist investors also own some shares. In practice, control by worker-owners may be exercised through individual, collective or majority ownership by the workforce, or the retention of individual, collective or majority voting rights (exercised on a one-member one-vote basis). A worker

cooperative, therefore, has the characteristic that the majority of its workforce owns shares, and the majority of shares are owned by the workforce. Membership is not always compulsory for employees, but generally only employees can become members either directly (as shareholders) or indirectly through membership of a trust that owns the company.

The impact of political ideology on practice constrains the development of cooperatives in different countries. In India, there is a form of workers' cooperative which insists on compulsory membership for all employees and compulsory employment for all members. That is the form of the Indian Coffee Houses. This system was advocated by the Indian communist leader A. K. Gopalan. In places like the UK, common ownership (indivisible collective ownership) was popular in the 1970s. Cooperative Societies only became legal in Britain after the passing of Slaney's Act in 1852. In 1865 there were 651 registered societies with a total membership of well over 200,000. There are now more than 400 worker cooperatives in the UK, Suma Wholefoods being the largest example with a turnover of £24 million.

### **Volunteer cooperative**

A volunteer cooperative is a cooperative that is run by and for a network of volunteers, for the benefit of a defined membership or the general public, to achieve some goal. Depending on the structure, it may be a collective or mutual organization, which is operated according to the principles of cooperative governance. The most basic form of volunteer-run cooperative is a voluntary association. A lodge or social club may be organized on this basis. A volunteer-run co-op is distinguished from a worker cooperative in that the latter is by definition employee-owned, whereas the volunteer cooperative is typically a non-stock corporation, volunteer-run consumer co-op or service organization, in which workers and beneficiaries jointly participate in management decisions and receive discounts on the basis of sweat equity.

### **Social cooperative**

A particularly successful form of multi-stakeholder cooperative is the Italian "social cooperative", of which some 7,000 exist. "Type A" social cooperatives bring together providers and beneficiaries of a social service as members. "Type B" social cooperatives bring together permanent workers and previously unemployed people who wish to integrate into the labor market. They are legally defined as follows:

- no more than 80% of profits may be distributed, interest is limited to the bond rate and dissolution is altruistic (assets may not be distributed)
- the cooperative has legal personality and limited liability
- the objective is the general benefit of the community and the social integration of citizens
- those of type B integrate disadvantaged people into the labour market. The categories of disadvantage they target may include physical and mental disability, drug and alcohol addiction, developmental disorders and problems with the law. They do not include other factors of disadvantage such as unemployment, race, sexual orientation or abuse.
- type A cooperatives provide health, social or educational services
- various categories of stakeholder may become members, including paid employees, beneficiaries, volunteers (up to 50% of members), financial investors and public institutions. In type B cooperatives at least 30% of the members must be from the disadvantaged target groups<sup>1</sup>
- voting is one person one vote

### **Consumers' cooperative**

A consumers' cooperative is a business owned by its customers. Employees can also generally become members. Members vote on major decisions and elect the board of directors from among their own number. The first of these was set up in 1844 in the North-West of England by 28 weavers who wanted to sell food at a lower price than the local shops.

The world's largest consumers' cooperative is the Co-operative Group in the United Kingdom, which offers a variety of retail and financial services. The UK also has a number of autonomous consumers' cooperative societies, such as the East of England Co-operative Society and Midcounties Co-operative. In fact, the Co-operative Group is something of a hybrid, having both corporate members (mostly other consumers' cooperatives, as a result of its origins as a wholesale society), and individual retail consumer members.

### **Business and employment cooperative**

**Business and employment cooperatives** (BECs) are a subset of worker cooperatives that represent a new approach to providing support to the creation of new businesses.

Like other business creation support schemes, BEC's enable budding entrepreneurs to experiment with their business idea while benefiting from a secure income. The innovation BECs introduce is that once the business is established the entrepreneur is not forced to leave and set up independently, but can stay and become a full member of the cooperative. The micro-enterprises then combine to form one multi-activity enterprise whose members provide a mutually supportive environment for each other.

BECs thus provide budding business people with an easy transition from inactivity to self-employment, but in a collective framework. They open up new horizons for people who have ambition but who lack the skills or confidence needed to set off entirely on their own – or who simply want to carry on an independent economic activity but within a supportive group context.

### New generation cooperative

**New generation cooperatives** (NGCs) are an adaptation of traditional cooperative structures to modern, capital intensive industries. They are sometimes described as a hybrid between traditional co-ops and limited liability companies. They were first developed in California and spread and flourished in the US Mid-West in the 1990s.<sup>[32]</sup> They are now common in Canada where they operate primarily in agriculture and food services, where their primary purpose is to add value to primary products. For example, producing ethanol from corn, pasta from durum wheat, or gourmet cheese from goat's milk.

## Types and number of cooperatives

The top 300 largest cooperatives were listed in 2007 by the International Co-operative Alliance. 80% were involved in either agriculture, finance, or retail and more than half were in the United States, Italy, or France. In the United States, cooperatives, particularly those in the Midwest, are analyzed at the University of Wisconsin Center for Cooperatives.

### Housing cooperative

A housing cooperative is a legal mechanism for ownership of housing where residents either own shares (share capital co-op) reflecting their equity in the cooperative's real estate, or have membership and occupancy rights in a not-for-profit cooperative (non-share capital co-op), and they underwrite their housing through paying subscriptions or rent.

Housing cooperatives come in three basic equity structures

- In **market-rate housing cooperatives**, members may sell their shares in the cooperative whenever they like for whatever price the market will bear, much like any other residential property. Market-rate co-ops are very common in New York City.
- **Limited equity housing cooperatives**, which are often used by affordable housing developers, allow members to own some equity in their home, but limit the sale price of their membership share to that which they paid.
- **Group equity** or **zero-equity housing cooperatives** do not allow members to own equity in their residences and often have rental agreements well below market rates.

Members of a building cooperative (in Britain known as a self-build housing cooperative) pool resources to build housing, normally using a high proportion of their own labor. When the building is finished, each member is the sole owner of a homestead, and the cooperative may be dissolved.

This collective effort was at the origin of many of Britain's building societies, which however, developed into "permanent" mutual savings and loan organisations, a term which persisted in some of their names (such as the former *Leeds Permanent*). Nowadays such self-building may be financed using a step-by-step mortgage which is released in stages as the building is completed. The term may also refer to worker cooperatives in the building trade.



Co-op City in The Bronx, New York City is the largest cooperative housing development in the world, with 55,000 people.<sup>[33]</sup>

## Utility cooperative

A utility cooperative is a type of consumers' cooperative that is tasked with the delivery of a public utility such as electricity, water or telecommunications services to its members. Profits are either reinvested into infrastructure or distributed to members in the form of "patronage" or "capital credits", which are essentially dividends paid on a member's investment into the cooperative. In the United States, many cooperatives were formed to provide rural electrical and telephone service as part of the New Deal. *See Rural Utilities Service.*

In the case of electricity, cooperatives are generally either generation and transmission (G&T) co-ops that create and send power via the transmission grid or local distribution co-ops that gather electricity from a variety of sources and send it along to homes and businesses.

In Tanzania, it has been proven that the cooperative method is helpful in water distribution. When the people are involved with their own water, they care more because the quality of their work has a direct effect on the quality of their water.

## Agricultural cooperative

Agricultural cooperatives or farmers' cooperatives are cooperatives where farmers pool their resources for mutual economic benefit. Agricultural cooperatives are broadly divided into *agricultural service cooperatives*, which provide various services to their individual farming members, and *agricultural production cooperatives*, where production resources such as land or machinery are pooled and members farm jointly.<sup>[34]</sup> Known examples of agricultural production cooperatives are the cranberry-and-grapefruit cooperative Ocean Spray, collective farms in socialist states and the kibbutzim in Israel.

Agricultural supply cooperatives aggregate purchases, storage, and distribution of farm inputs for their members. By taking advantage of volume discounts and utilizing other economies of scale, supply cooperatives bring down members' costs. Supply cooperatives may provide seeds, fertilizers, chemicals, fuel, and farm machinery. Some supply cooperatives also operate machinery pools that provide mechanical field services (e.g., plowing, harvesting) to their members.

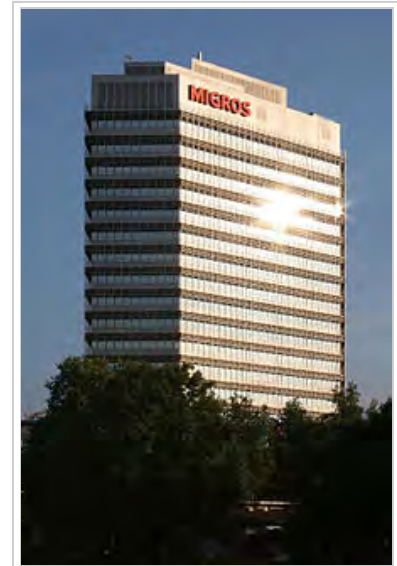
Agricultural marketing cooperatives provide the services involved in moving a product from the point of production to the point of consumption. Agricultural marketing includes a series of interconnected activities involving planning production, growing and harvesting, grading, packing, transport, storage, food processing, distribution and sale. Agricultural marketing cooperatives are often formed to promote specific commodities.

Commercially successful cooperatives include India's Amul (dairy products), Dairy Farmers of America (dairy products) in the United States, and Malaysia's FELDA (palm oil).

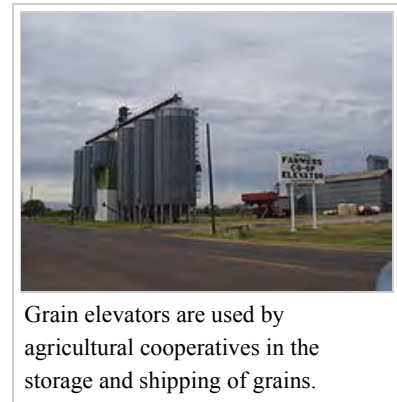
## Credit unions, cooperative banking and Co-operative insurance

Credit unions are cooperative financial institutions that are owned and controlled by their members. Credit unions provide the same financial services as banks but are considered not-for-profit organizations and adhere to cooperative principles.

Credit unions originated in mid-19th-century Germany through the efforts of pioneers Franz Herman Schulze-Delitzch and Friedrich Wilhelm Raiffeisen. The concept of financial cooperatives crossed the Atlantic at the turn of the 20th century, when the *caisse populaire* movement was started by Alphonse Desjardins in Quebec, Canada. In 1900, from his home in Lévis, he opened North America's first credit union, marking the beginning of the Mouvement Desjardins. Eight years later, Desjardins provided guidance for the first credit union in the United States, where there are now about 7,950 active status federally insured credit unions, with almost 90 million members and more than \$679 billion on deposit.



The two largest supermarket chains in Switzerland, Migros and Coop, are cooperatives. The third largest bank, Raiffeisen, is a cooperative as well.



Grain elevators are used by agricultural cooperatives in the storage and shipping of grains.



Cooperative banking networks, which were nationalized in Eastern Europe, work now as real cooperative institutions. In Poland, the SKOK (*Spółdzielcze Kasy Oszczędnościowo-Kredytowe*) network has grown to serve over 1 million members via 13,000 branches, and is larger than the country's largest conventional bank.

In Scandinavia, there is a clear distinction between mutual savings banks (Sparbank) and true credit unions (Andelsbank).

The oldest cooperative banks in Europe, based on the ideas of Friedrich Raiffeisen, are joined together in the 'Urgenossen'.

### Federal or secondary cooperatives

In some cases, cooperative societies find it advantageous to form cooperative federations in which all of the members are themselves cooperatives. Historically, these have predominantly come in the form of cooperative wholesale societies, and cooperative unions. Cooperative federations are a means through which cooperative societies can fulfill the sixth Rochdale Principle, cooperation among cooperatives, with the ICA noting that "Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures."

### Cooperative wholesale society

According to cooperative economist Charles Gide, the aim of a cooperative wholesale society is to arrange "bulk purchases, and, if possible, organise production." The best historical example of this was the English CWS and the Scottish CWS, which were the forerunners to the modern Co-operative Group. Today, its national buying programme, the Co-operative Retail Trading Group performs a similar function.

### Cooperative union

A second common form of cooperative federation is a cooperative union, whose objective (according to Gide) is "to develop the spirit of solidarity among societies and... in a word, to exercise the functions of a government whose authority, it is needless to say, is purely moral." Co-operatives UK and the International Cooperative Alliance are examples of such arrangements.

### Cooperative political movements

In some countries with a strong cooperative sector, such as the UK, cooperatives may find it advantageous to form political groupings to represent their interests. The British Cooperative Party, the Canadian Cooperative Commonwealth Federation and United Farmers of Alberta are prime examples of such arrangements.

The British cooperative movement formed the Cooperative Party in the early 20th century to represent members of consumers' cooperatives in Parliament, which was the first of its kind. The Cooperative Party now has a permanent electoral pact with the Labour Party meaning someone cannot be a member if they support a party other than Labour. Plaid Cymru also run a credit union that is constituted as a co-operative, called the 'Plaid Cymru Credit Union'.<sup>[35]</sup> UK cooperatives retain a strong market share in food retail, insurance, banking, funeral services, and the travel industry in many parts of the country, although this is still significantly lower than other business models.<sup>[36]</sup>

## Women in cooperatives

Since cooperatives are based on values like self-help, democracy, equality, equity, and solidarity, they can play a particularly strong role in empowering women, especially in developing countries.<sup>[37]</sup> Cooperatives allow women who might have been isolated and working individually to band together and create economies of scale as well as increase their own



The Co-operative Bank's head office in Manchester. The statue in front is of Robert Owen, a pioneer in the cooperative movement.

bargaining power in the market. In statements in advance of International Women's Day in early 2013, President of the International Cooperative Alliance, Dame Pauline Green, said, "Cooperative businesses have done so much to help women onto the ladder of economic activity. With that comes community respect, political legitimacy and influence."

However, despite the supposed democratic structure of cooperatives and the values and benefits shared by members, due to gender norms on the traditional role of women, and other instilled cultural practices that sidestep attempted legal protections, women suffer a disproportionately low representation in cooperative membership around the world. Representation of women through *active* membership (showing up to meetings and voting), as well as in leadership and managerial positions is even lower.<sup>[38]</sup>

## Cooperatives in popular culture

As of 2012, the number of memberships in cooperatives reached one billion,<sup>[39]</sup> and so the organizational structure and movement has seeped into popular culture.

In the HBO drama television series *The Wire*, several drug dealers create a democratic alliance called the New Day Co-Op with the interests of cutting back on violence and increasing business.

Co-opoly: The Game of Cooperatives is a popular board game played around the world that challenges players to work together to start and run a cooperative and overcome major hurdles.<sup>[40][41]</sup>

*My So-Called Housing Cooperative* is a web series focusing on the humorous side of living in a housing co-op.<sup>[42]</sup>

U.S. co-ops provide over 850 thousand jobs and create more than \$74 billion in annual wages with revenue of nearly \$500 billion.<sup>[43]</sup>

## See also

- Artist cooperative
- Cooperative economics
- Co-operative living arrangements
- Collective
- Collective ownership
- Common ownership
- Commune (intentional community)
- Cost the limit of price
- Danish cooperative movement
- Democratic socialism
- Employee-owned corporation
- Employee stock ownership plan
- FC Barcelona (the world's first cooperative-based football club)
- Friendly society
- History of the cooperative movement
- Industrial and provident society
- List of co-operative federations
- List of cooperatives
- Microfinance / microcredit
- Mondragón Cooperative Corporation
- Mutual aid
- Mutual organization
- Mutual Ownership Defense Housing Division
- Mutualism (economic theory)
- Neo-capitalism
- Online media cooperative
- Participatory democracy
- Participatory economics
- Polytechnic University of the Philippines College of Cooperatives and Social Development
- Friedrich Wilhelm Raiffeisen
- Rochdale Principles
- Social economy
- Social enterprise
- Social ownership
- Syndicalism
- Socialism

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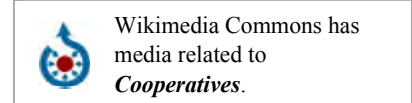
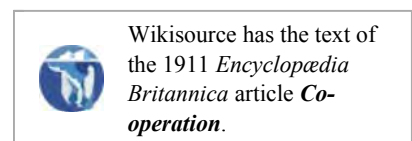
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