{ *Series on Co-operatives & Peace* }
VOLUME ONE

CO-OPERATIVES
and the
PURSUIT
of
PEACE

Edited by

JOY EMMANUEL & IAN MACPHERSON

"*Peace and social well being*

are not only relevant to co-operatives but co-operatives are relevant to the peace making process in communities and societies throughout the world." This was part of the message delivered in the closing address by Dr. Yehudah Paz at the Co-operatives and the Pursuit of Peace conference, June 2006.

For three days 38 co-op participants representing 16 different countries met in Victoria, British Columbia to review the historical record of how co-operatives have addressed conflict and to reflect on current practices of co-operatives operating in areas deeply divided by political, economic, and social injustices.

The present volume is a collection of essays presented at the conference, as well as additional papers by co-op studies experts. Contributors share their experience, knowledge, and insights on the challenges co-operatives must meet in addressing an array of conflict situations, and how the co-ops and regional co-operative movements are responding and contributing to peace making and sustainable development.

The conference and this volume of essays represent one of the first sustained and in-depth examinations of this topic by the co-operative movement.

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Spine: CO-OPERATIVES *and the* PURSUIT *of* PEACE

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Dedication

This book is dedicated to co-operators around the world who are committed to promoting co-operation, especially in situations of conflict and strife, as a way to build a more peaceful and just world for all.

We specially want to acknowledge the contributions of Ibnoe Soedjono and Madhav Madane, two prominent promoters of co-operatives and contributors to this volume, who passed away last year.

Acknowledgements

When the British Columbia Institute for Co-operative Studies was started in the year 2000, we dreamed of someday undertaking some work exploring how co-operatives and co-operative thought can help lessen tensions within communities and contribute to a more peaceful world.

For many reasons we were not able to start that kind of research and reflection until June 2006, when the Institute hosted a conference on the theme Co-operatives and Peace. On behalf of the Institute, I would like to thank Yehudah Paz and Robby Tulus for their help in bringing the programme together. I would particularly like to thank Joy Emmanuel for accepting responsibility for the development of the conference and for overseeing its development in her quiet and efficient way. I believe the conference was a great success because of her efforts and because of the contributions of others from the Institute: Robin Puga (for technical support), Sandy Polomark (for office support and liaison with University Departments), Sol Kinnis (especially for her help with Spanish translations), Vivian McCormick, and student researchers Eryk Martin and Jennifer Bagelman.

CONTENTS

SECTION III—CO-OPS AND PEACE: EXPERIENCES IN SOUTH AMERICA

SECTION IV—CO-OPS AND PEACE: LESSONS FROM ASIA

SECTION V—CO-OPERATING OUT OF POVERTY: INSIGHTS FROM AFRICA

SECTION VI— CO-OPS & PEACE IN RECONSTRUCTION PERIODS

SECTION VII—PEACE BUILDING: THEORY & COMMUNITY MOBILIZATION

CONCLUSION

JOY EMMANUEL &

IAN MACPHERSON

Introduction

Peace making, conflict resolution, and co-operatives – the complexity and possibility connected with each of these terms invites us to give pause as to what they mean, how they are connected, and how they could be more actively pursued. Our desire for peace might motivate each of us to develop a greater appreciation for the history and traditions behind each of these concepts and to look more closely at how they are taken up today - for each of these terms offers some promise of hope in troubled times.

Since the earliest human settlements – and even before that – human beings have worked together to overcome difficult circumstances, such as challenges posed by nature and providing the basic necessities of human life - food, shelter, and company. Without co-operation, individuals would have had greatly reduced chances for survival – indeed, it is questionable whether the human species would have survived at all without elaborate and steadily more complex forms of mutual support and reciprocal relationships.

Although scholars and others will always debate the degree to which human beings are basically competitive or co-operative, the

reality is that the human condition has always been shaped by both competitive and co-operative relationships. Human beings have always been buffeted by conflict, the all-to-frequent extension of unconstrained competition. We also know conflict comes in many guises – from difficulties in our everyday interactions to outright war. It includes many forms of physical harm, and it develops from inequality, discrimination, oppression, and the dark consequences of these behaviours – poverty and deprivation, underemployment and unemployment, despair and death.

Co-operation is also a part of our life experience, and like competition, it takes many forms. It can be spontaneous, as in helping each other through a door, or lining up in a queue. It can be traditional, as when farm people work together to plant or harvest crops. It can be regulated, as when people follow the rules of the road and drive defensively. It can be directed, as within classrooms or organizations where people are required to associate with each other in specific and civil ways. It can be contractual, as in the membership agreements people sign when they join a co-operative; in other words, a legal entity that is based on widely accepted co-operative values and principles.[1] While the essays in this book are largely concerned with the last kind of co-operation, the contribution to peace making of some traditional forms of co-operation are also examined. The connection between formally constituted co-operatives and spontaneous or traditional forms of co-operation can be very strong and should not be underestimated.

The articles in this book represent some of the first focussed attempts to examine the theme of co-operatives and peace. They are efforts to learn how co-operatives directly and indirectly have contributed to more peaceful relations among their members, and between their members and others. Some essays begin the task of addressing aspects of the historical record, others are concerned with contemporary situations, still others raise theoretical questions and contemplate future directions. Directly and indirectly, they address a number of questions. What have co-operatives contributed? What are they contributing? Could co-operatives do more? How well do they work as harbingers of peace in different contexts around the

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1 See J.G. Craig, *The Nature of Co-operation (Montreal: Black Rose Books, 1993) pp.11-14.*

world? How have co-operatives contributed in societies greatly disrupted by natural disasters, especially in places where communities were already deeply divided? How exactly do co-operatives bridge differences? Are they uniquely structured and positioned to address conflict whether internal or external, at the micro level of community life or at national and international levels? What are the limits of what co-operatives can reasonably be expected to do? Can encouraging and facilitating community peace be incorporated more systematically into everyday interactions within co-operative networks?

Answering such questions helps us to understand how the co-operative model has been adapted to meet difficult situations as, for example, in communities of mixed ethnic and religious backgrounds, and in regions overwhelmed by political and economic divisions. Indeed, many of the co-operatives considered in the following essays can only be understood as responses to war, social dislocation, and class warfare.

If co-operation and conflict are part of life, having an orientation and strategy toward peace making may prove beneficial, and in some instances crucial, if co-operative movements are to reach their full potential.

CO-OPERATIVES: THEIR VALUES AND PRINCIPLES

Like other non-government organizations (NGOs), community groups, and social economy organizations, co-operatives operate in a variety of circumstances and address an array of needs. They help empower ordinary citizens by assisting them in meeting economic and social needs. They can be – and often are – agents of social, as well as economic, change. Indeed, even though circumstances can be quite varied, there are key commonalities that co-operatives share and that distinguish them from other social economy or business organizations. Co-operatives are distinct in terms of their particular combination of principles and values and their capacity to create democratic economic organizations that place people and the environment at the centre of the development process. Within the traditional business world, they are notable for their unique control structures, use of surplus funds or profits, community associations, and social commitments.

Co-operatives grew out of the efforts of working class people and social leaders of the early industrial era in Europe, people who sought to have a collective measure of control over their economic and social situation. A group of weavers in Rochdale, England, are often credited with starting the first modern day co-operative when they formally incorporated a co-operative consumer society in 1844. Through pooling their meagre savings, they became co-owners of a small store, thus allowing them to control the quality and cost of their food and to envision how savings could be used, not only to pay dividends, but also to undertake educational programmes, even to create new, peaceful communities.

Today, more than 800 million people belong to co-operatives in countries around the world. The International Co-operative Alliance defines a co-operative as "an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspiration through a jointly owned and democratically controlled enterprise."[2]

Co-operatives, therefore, are not just an "alternative" way of creating employment and providing services, though those purposes are always important. They are – or should be – also concerned with ensuring that ordinary people are empowered to meet their needs in a just, fair, and sustainable manner. They bring people together to purchase products, sell what they produce, and provide themselves with services. Through democratic structures and processes, often within federations, they often expand on their local capacities to undertake these activities, thereby gaining the benefits of size, while preserving autonomy and control at the local level. Co-operatives, therefore, bring people together for a common purpose, a by-product of which should be a better understanding of each other and a greater appreciation of how mutuality and reciprocity can overcome differences and discord.

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2 For more information on the basic principles and characteristics of co-operatives and to learn more about the differences between co-ops and private businesses visit any of the following sites: The International Co-operative Alliance: http://www.coop.org/coop; The Canadian Co-operative Association: http://www.coopscanada.coop/; The Co-operative Secretariat: http://www.coop.gc.ca; British Columbia Institute for Co-operative Studies: http://bcics.uvic.ca

Co-operatives apply – or should apply – the organizational and ethical values adopted by the International Co-operative Alliance at its Congress in 1995. The organizational values include "self-help, self-responsibility, democracy, equality, equity, and solidarity." The ethical values are "honesty, openness, social responsibility, and caring for others." Both sets of values, if given life and applied appropriately within effectively managed organizations, should prove useful in strife-torn communities; they are the vital advantage and distinctive trait co-operatives bring to difficult situations.

These values are applied through the principles that underlie the operations of co-operatives around the world, principles that are usually reinforced by the legislation under which co-operatives are incorporated. These principles and some of their consequences are:

1. *Open and Voluntary Membership*—Membership is open to all persons, without gender, social, racial, political, or religious discrimination – a particularly important quality in divided communities.

2. *Democratic Control by Members*—Co-operatives are democratic organizations. At the community level, primary co-ops follow the rule of one member, one vote, thus discouraging control by a few. They should not be compromised by interference of political or religious leaders or institutions. They are accountable to their members, an especially useful model in communities where there are low levels of trust, or high levels of political control.

3. *Member Economic Participation*—Members contribute equitably to, and democratically control, the capital of their co-ops, which are owned locally and cannot be sold unless their members agree. Co-operatives meet local needs first, an important principle amid the turmoil of communities under stress and where it is vital for the well being of the co-operative and/or the community that people retain control over local resources.

4. *Autonomy and Independence*—Co-operatives are autonomous, self-help organizations. If they enter into contracts with other parties (even government departments), they do so in ways that ensure, teach, and support democratic control by the members.

5. *Co-operative Education, Training, and Information*—These are on-going activities within the co-op to ensure members understand how their co-op works and to ensure members can play an active, informed role in the life of the co-op. This is an important aspect of community building, and can include training in dispute resolution and the development of programmes to encourage peaceful relations among members and on boards.

6. *Co-operation among Co-operatives*—Individual co-operatives and the co-op movement are strengthened when co-operatives work together for mutual support and benefit. In communities experiencing turmoil, co-operatives can mobilize resources through local, national, and international co-operative networks, a particularly important resource in times of stress.

7. *Concern for Community*—Co-operatives are about more than meeting the economic needs of their members. Co-operatives also foster a concern for the social issues that impact the broader community, including those issues that divide and weaken communities, the forces that produce tensions, and social concerns that can lead to violence.

Because of their values and principles, co-operatives are well suited for the vital, and sometimes daunting, task of being agents of peace.

That does not mean, however, that co-operatives by themselves can build peaceful communities. Nor does it mean that co-operatives can contribute in all situations. In examining the ability of co-operatives to respond to conflict, the essays in this book speak to three stages of conflict/peace building that societies experience: the pre-conflict or preventative stage, the times of outright conflict, and the periods of peace building.

The Preventative Stage: To be truly preventative, it is imperative to acknowledge that conflict is deeply embedded in the human experience rather than blindly sweeping it under the carpet. Several essays in this book deal with co-operatives that have been able to help encourage unity in diversity and prevent discord in places of deep-seated conflict and historic differences.

The Stage of Outright Conflict: In this collection of essays, outright conflict is examined in different forms: everyday conflict, gender dis-

crimination, discord as a result of poverty, armed conflict, strife after natural disasters, and combinations of the above.

Peace Making: On certain occasions and in a variety of ways, co-operatives have at times boldly addressed questions such as how to contribute to changing macro level social structures and deep seated attitudinal barriers that divide social groups in society. Some essays touch on this theme, but it is one that clearly needs further thought and research, and more information from practitioners.

We hope the essays will be a useful beginning in understanding how co-ops can contribute in each of these stages, keeping in mind that every situation is, to some extent, different; what works in one situation may not be useful in others. We hope they will stimulate more research and reflection on specific situations and what we can learn from them.

HOW THIS BOOK IS ORGANIZED

The essays in this volume explore various understandings of co-operatives, conflict, and peace making. Many of the essays were presented at a conference on *Co-operatives and Peace* held in Victoria, British Columbia, in the spring of 2006. The conference was co-sponsored by the host organization, the British Columbia Institute for Co-operative Studies, and by the International Co-operative Alliance, and the International Labour Organization. To fill out this volume, additional essays have been added to reflect the insights of others who also have a passion for understanding the experience of co-operatives in less than tranquil contexts.

The first two chapters provide the opening address for the 2006 conference given by Ivano Barberini, president of the International Co-operative Alliance (ICA) and the conference presentation made by Iain MacDonald, Director-General of the ICA. These two chapters provide an overview of the challenges co-operatives must endeavour to meet in taking up the call to be more active peace makers, and highlight the unique characteristics and benefits that make co-operatives well-suited for this role.

Section One: Peace and Co-operatives: Exploring the Record provides a brief examination of the historical record of co-operatives grappling with issues of social discord, world war, and creating new so-

cial structures. The five articles in this section offer some insights to the question: what can be learned from our past experiences? Ian MacPherson's article delves into the history of the international movement up to 1919. He identifies key values and priorities of the earlier social movements that contributed to the ripening of conditions for the Rochdale co-op venture. Some of those values, indeed, coalesced into the growth of the co-operative movement. Moving forward in time, Rita Rhodes explores how the ICA (founded in 1895) has survived as the oldest international NGO in the world, weathering two world wars while having members on both sides of the conflict. In his article on the roots of the co-operative movement in India, Madhav Madane illustrated how co-operatives were viewed as a solution to address the destructive colonial policies of the day. Examining the politics of world war and the challenges of the Women's Co-operative Guild in England in the 1920s to 1940s, Gill Scott probes the question of the place of pacifism within the co-operative movement as she recounts the lessons to be learned when co-op leaders do not listen to their members. Alan Burton's article, on this same period in English co-operative history, reviews the contributions and challenges of documenting co-operative responses to war and peace through the medium of filmmaking.

In *Section Two: Gender, Co-ops, and Peace,* the significant themes of gender violence and inequality, both within co-operatives and in society, are brought to the forefront. The issues of gender inequality and violence are implicit in any examination of co-operative contributions to peace building, and also surface directly in many articles in this book. However, it is also appropriate to focus specifically on these concerns in order to raise significant theoretical and practical aspects of this form of conflict that must be considered in efforts to build more just, equitable, and democratic organizations. The article by Samadanie Kirwandeniya raises theoretical questions about the importance of identifying multiple forms of discrimination and acknowledging "multiple identities." She analyses the "meaning making structures and the discourses of difference" to discern if new spaces of openness and equality are truly being created. A solid, practical application of this discussion follows in the article by Lota Bertulfo, as she shares examples of how the revised co-op principles of 1995

positively impacted member participation of women in many Asian co-operatives. However, as her article, and the one that follows by Robby Tulus, point out, there are still many challenges and much room for improvement if co-ops are to be true role models of gender equity in many communities.

Section Three contains articles focusing on two countries in South America, Brazil and Colombia. As discussed in these articles, both countries are deeply challenged by neo-colonial, liberal policies of globalization and free trade, and by governments that favour policies that benefit a few – sometimes reinforced by the application of military power. Hannah Wittman provides an overview of co-op development in Brazil. She delineates two divergent views of co-op development - one which is state-organized and reflects agricultural modernization, the other focuses on the landless poor from a pro-solidarity economy approach. Within a context of conflict and political oppression in Colombia, Father Alfredo Ferro M s.j. describes the approach of social justice institutes to empower and educate landless people in the Cauca Valley and establish policies of sustainable development that reflect a traditional form of co-operation – campesino to campesino.

Section Four: Co-ops and Peace – Lessons from Asia presents four articles exploring insights from the experience of established co-operative movements where issues of diversity, internal conflict, devastation from nuclear bombing, peace advocacy, and gender inequality are being addressed. Chushichi Tsuzuki recounts the early period in the development of the Japanese co-operative movement and how each of four major leaders contributed to establishing that co-op movement as a guardian of peace. Akira Kurimoto offers further elaboration on recent efforts of the Japanese Consumer Co-operative to actively advocate for peace. The article by Ibnoe Soedjono on Indonesia explores the similarities between the co-op model and Pancasila – the foundational philosophy of the Indonesian nation, which reflects a sentiment of unity in diversity. In the article he provides many examples of how co-operatives work to bridge diversity and negotiate conflict; as well, he touches on the compatibility of the co-op model with aspects of the Moslem teachings of syariah. The closing article by Sarah Shima and Yagya Ghale provides insights

from Nepal, where, in the midst of conflict, micro-finance co-ops are operating successfully to empower women in addressing their needs and in creating safer, healthier communities.

In *Section Five: Co-operating Out of Poverty – Insights from Africa* three articles touch on the vast challenges and inspiring efforts of co-operators and co-operative movements to address issues of poverty and inequality in the context of neo-colonial Africa. The article by Ada Kibora presents an overview of the over-whelming challenges West African countries face, yet he also provides examples of how the co-op movement is making inroads to weed out the roots of poverty and contribute to building healthy societies. Nelson Kuria reviews the role of agricultural and finance co-ops in Kenya and describes what happens when the "big players" withdraw from communities and how co-ops have been stepping in to address local needs. Shimelles Tenaw examines the role of well-established, traditional co-operative associations in Ethiopia and how they help villagers to collectively care for their daily needs and the maintainance of peace.

In *Section Six* the theme of *Co-ops and Peace in the Reconstruction Period* is explored. The articles in this section touch on the theme of reconstruction as it relates to areas of Indonesia and Sri Lanka following the 2004 tsunami, as well as reconstruction after armed conflict. The articles by Dr. Said Muhammad and P.A. Kiriwandeniya offer a comparative view of reconstruction efforts in two countries greatly impacted by the 2004 tsunami. In Banda Aceh, Indonesia, the co-operative movement was relatively small and dispersed and armed conflict compounded reconstruction efforts. In Sri Lanka, the SANASA co-operative bank was well established throughout the country and, although heavily impacted by the tsunami, was able to provide a coherent infrastructure for the reconstruction efforts. Both societies faced the further challenge of deep divisions resulting in armed conflict in the region. Robby Tulus carries this comparison further in his article, elaborating on co-operative reconstruction efforts and future challenges in the two areas. In addition, Tulus brings concern for the rights of indigenous people into the broader discussion of co-ops and peace-making by examining insights from examples of community-oriented initiatives in Bangladesh, the Philippines, and Indonesia. The in-depth article by Milford Batemen

delves into post-war reconstruction efforts in southeastern Europe. Bateman elaborates on the social, historical, political, and economic context that contributed to the collapse of an early, healthy co-op movement in war torn Yugoslavia and lays-out the challenges and successes of the fledging co-operative initiatives in the post-conflict reconstruction period in Bosnia. The closing article in this section, by Julian Havers, summarizes research by the International Labour Organization on how co-operatives are positioned to address economic and social needs in the difficult post-conflict period when economic resources are limited and the social infrastructure has been greatly damaged.

In the concluding section on *Peace Building – Theory and Community Mobilization,* we close the exploration of co-ops and peace with three articles that bring together some of the important theoretical considerations that surfaced in many of the earlier articles. Dr. Yehudah Paz sets out two significant new perspectives on conflict resolution. The first is the importance of the people-to-people peace process that acts as a vital compliment to peace agreements negotiated by government and political bodies. Second is the understanding that conflict resolution is linked to sustainable human development. Dr. Paz presents a passionate argument for the particular suitability of co-operatives for addressing both of these considerations. Rafi Goldman continues this analysis, and briefly relates it to a specific example of an agriculture co-operative (Produce for Peace) that brings together Israelies and Palestinians. The article by William Caspary explores the philosophical and ethical underpinnings of the theory of integrative, interest-based conflict resolution (ICR). He examines the application and usefulness of this approach for co-operatives when dealing with conflict situations.

A short Afterword by Dr. Paz summarizes the highlights and sentiment of the 2006 conference with encouragement that it is not sufficient to talk, write, or read about peace, but, for change to truly occur, we must work co-operatively and do our part in becoming active agents of peace.

WHO THIS BOOK IS FOR

We hope this book will start a series of interconnected conversations within many levels of the co-operative movement and the wider society. The articles in this book are a collection of essays by practitioners in the field, by researchers, by members of co-operatives and other NGOs, and by academics. The articles reflect historical, theoretical, and practical aspects of how co-operatives have, are, and can engage issues of conflict and peace building.

This book is, first and foremost, a contribution to the field of Co-operative Studies. It brings together "practitioners," many of them with long and deep involvement in co-operatives, and researchers with interests in several aspects of co-operative development, as well as in peace issues generally. This collection of essays reflects an effort to relate theory to practice, to suggest issues and events that need further discussion, to encourage examination of these themes within educational institutions, to inform public policy discussions, and to provide information and resources useful to others. All these endeavours are central to Co-operative Studies.

This book also provides useful and practical examples of strategies that co-operatives and other NGOs can adopt to improve the quality of life for their members and the communities and societies where they are located.

These articles may be instructive for members of co-operative organizations, development agencies, community economic development groups, and self-help or aid agencies to better understand how co-operatives work and how they may be instrumental in reconstruction and peace-making efforts toward building sustainable, healthy, and just societies. For these same reasons, this book may be of interest to policy makers within government, NGOs, and certainly within apex co-operative organizations.

Those who are interested in the field of women's studies and peace studies will find a collection of articles that touch on the theoretical aspects of conflict resolution, as well as the rich diverse complexities of everyday life situations within an array of challenging social circumstances, and also provide insights into the texture of organi-

zational structures which must be navigated to bring about lasting changes.

Whether one has an interest in co-operatives or peace, the challenges and strategies set out in these articles offer insights to enrich public discourse and debate on the contribution co-operatives can make to peace building.

It is a beginning, and we hope a useful one.

WHY THIS BOOK?

The essays that follow focus on the ways in which co-operatives, co-operators, and co-operative movements have contributed, and are contributing, to communities and societies where excessive competition and conflicts have emerged – in any of its deleterious forms. This book has arisen from a concern to better understand how co-operatives can contribute to the creation of more peaceful communities. This work is motivated by the belief that peace making should be everyone's concern, and the view that there is value in the co-operative movement reflecting more deeply and frequently on how it can contribute to overcoming differences and discord in the communities where co-op members live.

Issues of war and peace shape our lives as they have shaped human history for all generations. Some might have hoped that such issues had largely gone away when the Cold War ended; however, we now know they continue, and they affect us all. The issues today are the consequences of political, economic, and cultural circumstances, many of them with long histories. We believe the essays that follow will demonstrate that the co-operative model can be useful in helping to address those issues, indeed that often co-operators have little choice but to be involved. We feel these articles demonstrate the application of the co-operative model has made contributions towards creating peace in the past, and that it is capable of even wider application in the future. However, change does not necessarily follow just by recording our experience. To contribute to building a more just, sustainable world, it is vital that we learn from our experiences. We hope the essays in this book will stimulate discussions within and outside the co-operative movement and lead to a deeper analysis of the particular strategies that co-operatives and co-operators can

adopt to address conflict, and thus contribute to creating a more peaceful world for all.

Ian MacPherson and Joy Emmanuel
Co-editors

IVANO BARBERINI

Building New Paths to Peace

First of all, I would like to express my appreciation and warm thanks to the organizers of this meeting, whose purpose is to closely examine an issue that is often talked about, but never given the full attention it deserves, not even within our own movement. This event gives us an important opportunity to set down ideas, initiatives, and proposals on issues related to overcoming armed conflicts and building a freer, more peaceful, and prosperous world. It will undoubtedly result in the creation of valuable material for our movement.

Peace, social justice, freedom, and solidarity are the pillars of co-operation, and represent the basis for active and responsible participation aimed at opening up new ways to contribute to true human development. Co-operation is the natural companion of peace, while war – wrote Bertrand Russell - is an extreme form of competition.

On the threshold of the third millennium, we had hoped for a passage that would symbolically represent a new beginning. However, in recent years, our movement has had to adjust, often painfully, to the enormous changes that have transformed our world. Peace and social

progress seemed reasonable outcomes to the end of the Cold War. It almost seemed it would be possible to transfer the large amounts of resources from weapons to investments aimed at economic development throughout the world. Sadly, we now know, this did not happen.

Recent dramatic international events have shown once again that conflicts are a painful, yet frequent, way for countries, populations, and human beings to relate to one another. The dream of universal peace has crumbled, together with the Twin Towers, and continues to do so every time there is the threat of a clash of civilizations. Today, wars continue to result in the slaughter of many, especially innocent civilians. Women, the elderly, and children, are those who most directly, and indirectly, suffer from the effects of these calamities. As armed conflicts, humanitarian crises, and the deprivation of fundamental rights invariably result when governments, societies, and powers implement evil policies aimed at exploiting resources, compromising needs, or taking advantage of entire populations. The prolonged Iraqi war, the worsening of tensions between Palestine and Israel, and the dozens of "forgotten wars" in Africa (and other continents), burden our consciences and raise barriers between people and between different ethnic groups, which are barriers that are extremely difficult to break down. The risk of transforming local conflict into all-out war is real. The world is permeated by pervasive uncertainty and fear.

Technological progress has given hope for general economic and sustainable development. At the same time, however, it has made the destruction of our planet a real possibility. Over the last few months, we have been abruptly reminded there are still enough atomic weapons left to destroy all forms of life on our planet. This means, for the first time in the history of human kind, conflicts are doomed to have no winners. War shows itself to be even more absurd and wrong.

The claim that war follows from politics but uses different means, is not acceptable. Rather, it should be considered as the failure of politics. When reason is entrusted to weapons, all rationality disappears. The dramatic force of this should impel us to search for new ways of building a fairer and more peaceful society. This is the alternative we must pursue in order to establish economic and social relationships

that safeguard the basic rights of women and men throughout the world.

In order to work towards this goal, we must promote a new policy of international solidarity, one that helps generate peace, a new policy of development based on "living and sharing together," and more equal opportunities for all people to access and manage the resources of our planet. We need to replace the conflictual relationships among people, societies, and countries with relationships that are based on co-operation and greater understanding of "others."

To better understand the world, we need to see it as a whole and not only from our own perspective. No corner of our world is now remote or inaccessible. The extreme poverty caused by the unemployment of a billion people around the world gives rise to instability and conflicts that lead to a resurgence of ethnic intolerance and religious fundamentalism.

All in all, our world is not poor. Never more than today have people enjoyed goods "many thousands of times higher than the incoercible needs of human beings," according to Jean Ziegler, UN special chairman for the Right to Food. The basic problem remains from the unequal sharing of the benefits of globalisation, largely because of a lack of purchasing power and poor access to knowledge. Exercising responsibility, political action must push for a change, by recognizing the rights to food, health, and decent work as basic universal human rights.

Sadly, we have seen everywhere that humanitarian aid lacks effectiveness. Input to real and lasting improvement in the living conditions in poor countries means to help build "systems" that are able to self-regenerate. The co-operative system and other social organizations represent an important resource for achieving these goals. It is within the non-government organizations (NGO) that the concept of "Citizens of the Planet" has begun to take shape. These organizations have developed a network of relationships among different parts of the world, and thereby, they have sown the seeds that create a different kind of globalisation. It is a path that calls for the development of a social, co-operative, and mutual economy. Considering their contributions as worthwhile is part of the responsibility of politicians and institutions alike, and it is to their advantage.

As far as co-operation is concerned, experience has taught us that co-operative action, in many cases, seems to go against the current trend with respect to the dominant culture and broader social behaviours. Unfortunately, the concepts of solidarity, tolerance, and self-lessness are essentially considered futile - if not counter-productive — qualities by a large part of our modern society.

However, in the last decade, a movement, made up of many people, has grown, focusing on how we can take long-term responsibility for our planet. The "Social Forum" became a symbol of belonging and an opportunity for young people and social movements to mobilise on certain issues. Over time, its aims have become more constructive, not only purely and simply objecting to globalisation, but strongly supporting the idea that "a better world is possible." Another very interesting example is the "Glocal Forum," an NGO network based in Rome, which promotes peace building and development activities through city-to-city partnerships, youth empowerment, information, and communications technology. The Glocal Forum is a network of over 100 cities, including all of the world's cities with populations over 500,000.

An alternative example is the "Economic Forum," a symbol of globalisation promoted by important economic and financial players, believing that the best way to fight extreme poverty is by privatising our planet, abolishing the social rules limiting entrepreneurial freedom, and creating a global governance without states. These are clearly alternative visions. Others come from heads of state, such as Tony Blair and Lula da Silva, while still more come from personalities in the world of culture and show business.

For some time now, the International Co-operative Alliance has considered these different movements, developing relations with some of them, and in some cases, participated on proposals and initiatives. Such initiatives need to be strengthened with greater perseverance and further proposals so that synergies can be built around common aims, they can become better known, and the co-operative movement can become more effective. Doing so will affirm a concept in the market in which certain values - for example, the safeguarding of health, the environment, and the right to decent work - and not only prices are taken into consideration. This necessitates

not only competition, but also co-operation between the various economic players. It is a vision that sees the market as a common field in which different players meet with the aim of increasing the economy's capacity to produce wealth for the common good and for future generations.

The idea that an economy's effectiveness derives solely from the logic of profit and competition has been shown to lack both a theoretical and practical basis. The co-operative enterprise, its very existence and survival in the market, eloquently demonstrates that the "unique thought" (single view) notion does not exist. Thus, the co-operative enterprise can be seen as the most effective form of enterprise to manage the problems of our times, as it brings together freedom and security, entrepreneurship, and participation.

John Maynard Keynes wrote, "international peace must be guaranteed by full employment." We know it is not possible to create work without economic development. It is clear there is an inevitable link between economic development, the creation of decent work, and peace keeping. It is important that these three factors are interpreted in their full and current meaning.

The term *economic development* includes all economic, social, technical, and institutional changes that occur jointly to improve living standards. This definition implies a difference between economic development and growth. The latter is limited to increasing production volume per inhabitant. Therefore, there can be growth without economic development. Charles Handy, a teacher and economist at the London Business School, compares development that does not produce widespread wealth and does not respect the individual to a sculpture in a Minneapolis park - a bronze raincoat in the shape of a human figure, but empty, with no body inside. It is the symbol of a paradox and the absurdity of growth that does not translate into human development. Edgar Morin is even more drastic. He refuses the concept of development, even the sustainable and human one, because the "western model ignores that progress implies disadvantages - its individualism creates egocentrism, and its unrestrained forces lead to nuclear death."

Decent work deals with an aspect of work necessary in modern society. It is a fundamental right and a basic factor of citizenship.

In addition to producing wealth and giving the worker an income, it also guarantees respect for the dignity of individuals and human development.

Peace means a great deal more than the mere absence of armed conflicts, and it is much more complex than war, because it is based on a social order considered to be fair by the majority of people.

The need for developed countries to introduce labour from other countries in order to compensate for their ageing populations, together with the search for better living conditions by people from poor countries, has led to huge migratory flows from the South to the North of the world; something that has never occurred before. The intensity and the scale of this has thrown together in daily life people from very different cultures, creating opposite effects. On the one hand, it has generated a cultural promiscuity and a new identity, and on the other it has promoted the creation of "fortress" communities, as protection from "the others." From this point of view, no society or part of the world can see itself as culturally self-sufficient.

Senegalese statesman and poet Leopold Sedar Senghor use to say, "Real culture is putting down roots and uprooting." Uprooting means being open to foreign cultures and adopting the best that can be drawn from them. Thus, in our present situation, it is fundamental that there is understanding between people and they are able to utilise what has been created by different cultures. Concerning this, the safeguarding of human rights must include the safeguarding of the right to diversity, no longer majorities in contrast with minorities that must be "integrated" (a euphemistic term for assimilated) – but rather, different cultural components that can, and must, be harmonised.

The challenge we face is two-fold: on the one hand, vigilant conservatives and internal fundamentalism, and on the other, cultural homologation subtly imposed by globalisation. However, a formative process that is really true and effective cannot be painless, because it acts on the basis of change, wrestling with the advancing "new," without ignoring the social and cultural contexts within which it takes place. Education represents an effective way to access freedom and peace only if it takes an inter-cultural perspective, help-

ing people to understand the global, as well as the local dimension, and to adopt the ethic of responsibility.

Societies everywhere are feeling the need to create a society based on solidarity in new terms, taking into consideration the growth of multi-ethnic and multi-cultural societies. Only in this way can armed conflict be overcome, solving tragedies such as the Israeli-Palestinian dilemma, the main cause of instability in the Middle East. We must reduce the sense of frustration and humiliation affecting entire populations, ensure that the very fast rate of globalisation does not exclude the weakest sections of society, we must widen our knowledge of "others" so there is no fear, promote security for all, and help the young rise above extreme poverty through decent work.

This process involves building co-operative relationships between people, relationships that focus on common values and objectives. This is the real meaning of a co-operative movement that is deeply rooted in its territory, yet open to the world because it is part of a global network.

If, on the contrary, education is devoted to supporting individualism, which is a closing off and separation, then freedom becomes mere selfishness, and competition the essential - perhaps the only - basis on which the relationship between people and countries is grounded. Economic performance set apart from the ethic of responsibility cannot solve the problems caused by social exclusion.

In Europe, a sense of a meeting-of-the-ways with Africa has grown the perception of a destiny that is bound to converge in many ways. British Prime Minister Tony Blair defined African poverty as "a scar on the world's conscience." Education and development in Africa is one of the 12 points included in the report by the English Prime Minister presented to the European Union and the G8 Summit in Glasgow in July 2005. "To intervene," he affirmed, "is a moral duty to confront not only the problems relating to poverty, but also all other dramatic consequences of the events affecting the African continent."

Looking at another problem, we can also see that energy sources and natural resources, such as water and petrol, are bound to generate increasingly intense conflicts if there is no desire at an international level to prevent problems from arising. The delays and damage

caused by this situation are already evident. In this context, it appears increasingly important to develop potential convergences among institutions, social and political organizations, and different religions. Convergences are the potential fruit of real and non-instrumental dialogue. This is about seeking reciprocal knowledge and a coming together, with the clear aim of identifying common goals to pursue at social, political, and cultural levels. It is not about predicting an ideal, abstract world in which the causes and the reasons for conflicts miraculously disappear; it is about acting practically within the framework of the current situation.

Without a doubt this is difficult, and we cannot expect sensational results in the short term. What is important is to define a sort of virtuous and developmental "chain reaction." Even now, at the beginning of the current millennium, respect for human rights, universally and solemnly approved by international institutions, is still ignored in too many cases throughout in the world.

Co-operation has based its "raison d'être" and its work on the values of solidarity, equity, democracy, and social responsibility. Today, these values must inspire our commitment to promoting a new model of international solidarity. This new way to co-operate must be based on partnerships — that is, direct relations between communities, local government bodies, and citizens. It is also quite clear that politics plays an essential role in guiding and promoting change. Therefore, politics must have the courage to release regional and international co-operation from national and international economic and political interests. However, delegating this task only to politics is not enough. Single individuals and social institutions acting on a daily basis will make the difference.

The experience of co-operatives around the world has shown that it is possible for members of civil society to work together in building a better future, that co-operative relationships among peoples are possible, and they are part of the daily experience for many.

The preamble to the UNESCO Constitution states, "Since wars begin in the minds of people, it is in the minds of people that we must build the defence of peace." Educating for peace and solidarity represents the main road to building a better future for future generations. Schools, educational institutions, and social organizations

can play a decisive role in forming a culture of democratic citizenship and in putting it into practice. They represent the first public forum for interaction between cultures and traditions, a place where it is possible to experiment with the passage from a *declaration* of human rights to a *culture* of human rights.

Educating for peace entails motivating individuals to "want peace," as it is the on-going desire for peaceful and co-operative social relationships that is the key to preventing conflicts. Educating for peace is not another subject to add to the curriculum of studies; it cuts across all forms of knowledge. For this reason, it cannot be under the exclusive responsibility of a pre-determined subject, but the result of joint, continuous, and co-ordinated action on the part of many players that differ in terms of collocation, institutional purposes, role, and social position. These involve national and territorial scholastic institutions, students, teachers, the co-operative movement, civil society organizations, committees, and single, willing individuals. The desire for collaboration among all these players is a necessary condition for effective education projects. In this way, every path of educating for peace, even if achieved within specific micro-realities, can become a common heritage of a broader reality, which, starting with young people extends to the school, the suburb, and the society where they live and where they will eventually be leaders.

Another issue where we need to focus our attention is gender differences. It is an unavoidable issue because, as stated by the UN Resolution 1325 (2000), women are affected by wars differently than men. More and more often they are victims of armed conflicts, even though in the majority of cases they are not responsible for the decisions that caused them. For this reason, they represent a huge resource in planning and reconstructing societies in countries devastated by armed violence, as shown by the many experiences of female co-operative organizations in Africa. Educating for peace, therefore, cannot be *gender insensitive*, but must promote the participation of women not only in their traditional roles as educators and other careers, but also as citizens responsible in decision-making at local, national, and international levels.

Greater female participation leads not only to higher degrees of gender equality but also contributes to spreading and promoting

stronger co-operative relationships among people. Regarding this, the co-operative system needs to be more consistent in terms of its stated objectives and the application of them. Co-operative enterprises, more than any other form of enterprise, represent an important opportunity to assert the rights of women and respond to their needs, demonstrating their capability to develop their entrepreneurial strategies in line with changes in the market and acting coherently with co-operative values and principles.

Equally important is the co-operative commitment to fighting against child exploitation and improving the living conditions of children. Child labour is a plague caused by extreme poverty, but also by the cynical use of low-paid manpower instituted by multinational corporations. Over 300 million children in the world are suffering from starvation. No less serious is the exploitation of children in armed conflicts. It is believed that over 500,000 minors are part of regular armies and armed groups in 87 countries; at least 300,000 of them are actively fighting in 41 countries. The use of weapons, the abuses they have suffered or in which they participate, are destined to leave indelible marks on children, marks that will affect the rest of their lives. We must make young people aware of the tragic consequences of hatred fomented by social, religious, and political differences, and by tribal taboos, which in more developed civilizations take on racial overtones.

Deeply committed to supporting education for African girls, Nobel Prize winner Rita Levi-Montalcini claims:

> *The knowledge of the terrible consequences of all fanaticism, independent from the flag waved by their leader, is the most effective weapon in the hand of those who have the privilege to educate the new generations who are getting ready to take their place in the world arena. Education leads to freedom, which represents the fundamental basis of human rights — the freedom to act.*

Educating for peace cannot represent an abstract concept or a general theory to be implemented everywhere and in the same way, but must be found within the framework of current reality. Up to what point can one speak about conflict in the international sphere to children from Sudan, in the Congo, or in Uganda, children who everyday risk being killed or who are forced themselves to kill? What

does educating for peace mean in a social reality where there are no wars, but where people daily are subjected to the violence of criminality? How can we educate for peace in contexts where globalisation is experienced in its worst form, where increased inter-dependence and global proximity do not represent a resource, but an excuse to accelerate practices of exploitation and unequal access to resources? What kind of education for peace is possible in those areas of the planet devastated and robbed of their natural and environmental resources?

Educating for peace doesn't mean transferring solutions that are good for all, as we would like, from richer to poorer countries, or from "safe" countries to those under a continuous threat, or from those who have knowledge to those who don't have a chance to learn. It means providing space for local projects, valuing and strengthening the experiences in all corners of the planet, and helping those who are trying to take control of their own future. Reconciling the micro and the macro dimensions, and also theory with practice, are important so as not to lose sight of the objective of making peace and co-operation between people an alternative that is both possible and feasible.

Dear friends, I am sure this time together will give us the opportunity to search for answers to the many questions that remain unanswered. It will help us identify new ways to contribute to peace processes in light of co-operative values and principles. It will help us build on our deep roots derived from the dreams and the needs of people throughout the world – to encourage people everywhere to live in harmony with others and with nature, to speak freely, and to be free from fear and need.

To be co-operators means to see, in the eyes of rich and poor children alike, a hope for the future, and to work to ensure that their world will be a better one than their parent's.

IAIN MACDONALD

Co-operative Communities: A Strife Free Environment?

Working for the International Co-operative Alliance reminds me on a daily basis of the uniqueness of our cause. I spend a lot of time telling people that co-operatives are businesses with a social purpose. This is designed to appeal to governments and international organizations who find it difficult to accept the concept where business transactions can be carried out in a non-hostile environment. At the same time, I make the point that some of the most successful businesses in the world are co-operatives. The domination, particularly at present, of the so called "liberal, free market economy" makes our case even harder to sell, but also presents us with a huge opportunity. The world is clearly tired of the antagonisms of big capitalist business and their bullying tendencies. They are also relating the free market increasingly to the massive gap between rich and poor and consequently areas of conflict. So let's not pretend that what we are saying is not controversial. Co-operation presents the world with serious dilemmas. We can offer serious solutions to poverty and the causes of poverty, but we cannot do this without threatening the fundamental basis of global capitalism.

Perhaps it is time we said this more clearly. We offer an alternative economic and social structure – and it is not one that can easily co-exist with the economic systems responsible for causing most of the world's problems.

The ICA rules clearly state this. But like many of our rules they tend to be overlooked! Article 2 (d) says "To promote sustainable human development and to further the economic and social progress of people, thereby contributing to international peace and security."

Easy to say, not so easy to put into practice!

Peace means many different things to many different people. I was always a bit of a pacifist, but I didn't really get involved until I moved in 1980 with my family from London to Glasgow to work for The Co-operative Union. We ended up living on the side of the Gareloch where the British nuclear fleet was based! That quickly galvanised me into action and over the next 15 years I was seriously involved in setting up peace camps, direct action of various forms, working through the Labour party and local authorities, and ending up as vice president of the Committee for National Disarmament (CND). I didn't need much convincing that the possession of nuclear weapons could only be seen as aggressive and quite unable to contribute to world peace. Unfortunately, various world leaders, not least George Bush and Tony Blair, seem unable to accept this. They seemed quite happy to hold on to their own weapons as long as no one else could have them!

In my address to the UK Co-operative Congress last year in my role as president, I emphasised the role co-operatives can make to world peace. I said:

> If you take some of the images I have just encountered in a visit to Sri Lanka and Indonesia and couple them with African poverty and the ravages of HIV/Aids, one begins to see the world in a rather different way. A divided world of haves and have nots; a world where the accumulation of material wealth knows no bounds while poverty knows no limit of despair. And a world where politicians, particularly in the West, refuse to take seriously the role that our Movement could play in alleviating this dreadful situation.

I also quoted Henry May, who was the secretary-general of the International Co-operative Alliance from 1917 to 1939, and made one of

the best and simplest cases for co-operative internationalism in the ICA Review of 1938. He wrote:

> *The Co-operative Movements of the world should stand unflinchingly for the principles of toleration, equity, and justice in all the relations of life; respect for the rights of others; the settlement of disputes by reason and the abolition of armed conflict; the honourable fulfilment of all contractual obligations; and association of the security of all in the exercise of their legitimate functions.*

Indeed, it was those sentiments which were behind the founding of the ICA in London in 1895. In 1913 the ICA Congress in Glasgow passed a famous resolution on peace which is still basically our policy today:

> *That this Congress fully endorses the action recently taken by the Executive and Central Committees of the International Co-operative Alliance in order to manifest that it is in the interests of the co-operators of all countries to do their best to uphold peace. The Congress emphasises once more that the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of co-operation and the realisation of those ends which are aimed at by this movement.*
>
> *The Congress further desires to impress upon the public opinion of all nations the fact that the reasons for the continuance of armaments and the possibility of international conflicts will disappear as the social and economic life of every nation becomes organised according to co-operative principles, and that, therefore, the progress of co-operation forms one of the most valuable guarantees for the preservation of the world's peace. The Congress, therefore exhorts the people of every country to join our movement and strengthen their power.*
>
> *The International Congress of the Alliance declares itself in amity with all the co-operators of the world, and welcomes any action they may take in this direction or in which they may participate. Congress also welcomes all demonstrations made, or to be made, by other organizations with the same aim.*

Co-operators at the time considered this a hugely important issue. William Maxwell, during that famous and enthusiastic debate, declared that international co-operation was the very antithesis of in-

ternational strife. As Ivano Barberini said recently, "Competition is married to conflict, co-operation is married to peace."

Indeed, there have been resolutions on peace at the last four ICA Congresses, showing the commitment to this area. It has to be said, however, that resolutions themselves are not enough.

Of course, the ICA has survived two world wars and numerous other conflicts holding on to this policy. Indeed, only recently we sent a message to the United Nations reaffirming support for their work, especially in light of the Iraq war and the way in which the USA and Britain have ignored United Nations resolutions.

And of course, the message for this year's International Day of Co-operatives [2006] is Peace Building through Co-operatives. In this message we link the resolution of conflict and civil strife with the abolition of poverty, whether caused deliberately by globalisation or by natural disasters such as the tsunami. We draw attention to: the current proposal linking the Palestinian and Israeli co-operative movements to develop a range of agricultural products; the work ongoing in Bosnia and Serbia using housing co-operatives to rebuild communities; we will hear more about what has happened in Ireland and how the co-operative movement has contributed to the peace process — we are hopeful of assisting further in Sri Lanka where at this moment civil war seems a bit closer, but where the co-operative movement is one of the few organizations bridging the racial divide.

There are many such examples of how co-operatives contribute to peace locally, regionally, and internationally. We are working with the ILO in trying to put together a global project which will show how much our movement is doing. Indeed, the ILO is interested in showing how co-operative forms of organization are uniquely suited to meet the challenge to livelihood support and economy recovery in post conflict environments. Our proposal for an African facility will, hopefully, serve to improve lives through co-operative enterprise in several African countries, and thereby reduce poverty and conflict.

Conflict, though, comes in many forms. It is not always on the battlefield or with a physical dimension. In every form of co-operative enterprise comes the ability to reduce conflict or strife. I've seen it myself in the transformation of "sink" housing estates in Glasgow, becoming models of community involvement and togetherness with

the introduction of tenant management co-operatives. Similarly, credit unions have single-handedly destroyed the activities of loan sharks. Agricultural co-operatives have revitalised British farming after the disasters of foot and mouth and mad cow diseases. By banding together, fishing communities have survived the onslaught of bureaucracy and globalisation. In some countries, health co-operatives are the only way in which some people have access to any kind of health service, and tourism co-operatives are successfully combating the abuse of young people. Many jobs have been saved by the development of worker co-operatives.

These are all the result of achieving a peaceful and secure environment. That's what co-operatives do. Conflict and co-operatives are exact opposites.

PEACE & CO-OPERATIVES: EXPLORING THE RECORD

IAN MACPHERSON

The International Co-operative Movement & Peace: Questions Drawn from its Early History

The relationships between the development of the international co-operative movement and the desires to create a more peaceful world are complicated. They have taken place – and they take place – within "contested terrains" in which many co-operative theorists, advocates, and practitioners, from many national backgrounds and different co-operative viewpoints, advocate often subtly varied visions of what the movement should be about and how it should function. It involves different co-operative sectors and reflects their various roles within dissimilar cultures. It is a theme that needs to be considered more deeply than it has been in much of the recent past, and especially today.

The relationships between the co-operative movement and the search for a more peaceful world stretch back into the earliest history of the movement. This paper reflects selectively on a part of that history, from the organized movement's earliest years in the late eighteenth century through to the end of the First World War: its formative period (roughly 1780 to 1850), its stabilizing period (roughly 1850 to 1870), and a part of its building period (the years

between 1870 and 1920). It seeks to understand how the movement sought to contribute to the development of a more peaceful world throughout those years. Much can be learned from doing so, for, as in any movement, the co-operative movement's developmental years have significantly affected how many people subsequently defined it, and how they envisioned what its potential might be. This paper also raises questions from out of that past, questions that can hopefully still challenge, perplex, and motivate. There can be value in engaging in a dialogue with the past as long as one realizes that the literal transfer of ideas and understanding of circumstances across years and generations risk egregious error and faulty assumptions - but the search for understandings, reflections, and illumination can be as valuable now as it was when undertaken by co-operators a century and more ago.

First, though, it is useful to query two assumptions of the co-operative movement, which have been widespread in recent history, and perhaps most particularly today. The first is the idea that the movement is essentially about immediate, usually economic, advantage. This is the most widespread, often the main, and frequently the only, way in which the movement is promoted today. It shows up in such statements as: join a co-op because your food will be cheaper, the inputs for your farm will cost less, interest rates on loans will not be as high, the benefits from marketing what you produce will be increased, your housing will be less expensive. Up to a point, this approach is understandable and, in fact, can contribute to "making peace" by providing a better material life, thereby helping to reduce the economic and social inequalities that help create tensions in communities and among nations.

Such an emphasis, however, can delimit the movement's potential as a contributor to the process of peace building. It can lead members and leaders alike to expect relatively little from their co-operatives, and to avoid reflection on how they operate. It can thus shrink their range of possibilities and undervalue their potential social power – the capacity to reach out over differences and bring people who are estranged from each other closer together within co-operatives and in their associated activities. An emphasis on purely economic goals is also in striking contrast to arguments commonly made in the

nineteenth century, during the movement's developmental stages, arguments that directly and indirectly contributed to the development of more peaceful relationships within communities and nations, even among people in different nations. It also ignores the values and aspects of the principles on which co-operatives are based, the underlying philosophies that should shape the co-operative realities.[1] Purely economic considerations delimit the movement's capacity to promote peace.

The second assumption is that the co-operative movement was born in the 1840s, when the worker co-operative movement began in France, the Equitable Pioneers of Rochdale opened their store, the revolutions of 1848 stimulated many co-operative activities, and the problems that led to co-operative banking in the 1850s became manifest. Selecting that decade for the beginning of the movement, however, is ultimately an arbitrary choice, and one must remember it was the movement's propagandists of later times who emphasized that decade for their own purposes, in keeping with their own understandings and needs at later times and in different contexts. Upon reflection, their views were not as complete as they could have been, especially because their approaches tended to discount much of importance that went before.

A more satisfactory dating for the commencement of the formative period stretches back to the late eighteenth and early nineteenth centuries; in other words, to the times associated with the unrest of the French and American revolutions, the Napoleonic wars, the stresses connected with the dawn of the "Industrial Age," the intellectual conflicts associated with the Enlightenment period, and the struggle over ideas that foreshadowed the savage ideological debates that shook the world for a century and a half. It is only in the context of those great upheavals and their aftermaths that the co-operative

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1 In 1995, the International Co-operative Alliance adopted an *Identity Page* derived from historical practice and an understanding of the essence of co-operative thought. It provides a statement of values derived from a long process involving many people around the world. The general commitment to creating a more peaceful world is implicit in the organizational values that were emphasized (self-help, self-responsibility, democracy, equality, equity, and solidarity) and in the ethical values (honesty, openness, social responsibility, and caring for others) that were adopted. See Ian MacPherson, *Co-operative Principles for the 21st Century* (Geneva: International Co-operative Alliance, 1996) p. 1 and (for commentary) pp. 31-70.

approach to peace can be fully understood and its potential completely appreciated. The movement came out of a tumultuous era, a time when traditional bonds of association and authority were challenged, when religious faith, class bonds, and political power were shaken, when community affinities appeared to weaken amid uneven prosperity, when population shifts transformed societies, and when strains in the social system and economic dislocation reduced family stability. The spectre of the excesses of the revolutions and the wars and the civil unrest that followed were pervasive and frightening omens of a world going awry.[2] The movement, therefore, was born amid war and social conflict. It was not an idealistic development that sprung fully clothed from the minds of ascetic idealists removed from the tumult of every-day life. It was not just a pragmatic response by people caught in the turmoil and pressures – personal and communal – of the 1840s.

The co-operative movement, in its formative period (to about 1850) featured a rich diversity of concerted efforts, institutional forms, and ideological convictions. It reflected many cultures, especially in Europe where the institutional development was most pronounced. That diversity, one of the movement's virtues as well as one of its weaknesses, is another reason why it is potentially so valuable in helping create a more peaceful world. Then, as now, there were few economic and social needs that could not be met through the prudent application of the co-operative model. Beneath the diversity, too, there were, and should be, shared characteristics, world views, and discourses that addressed, in consistent and effective ways, many of the commonly understood sources of war and social disintegration — then and now — poverty, ignorance, exploitation, and excessive competition. That commonality should not be reduced simply to the "Rochdale Rules" — valuable as they were (and are) as guides and precedents. Ultimately, they provide only a thin veneer over what

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2 Perhaps the most powerful, if somewhat turgid, critique of the complexities of the "modern" era was written by Henri Saint Simon. His sense of the need for the reorganization of society, best articulated in his writings *L'Industrie, Du système industriel,* and *De l'organization sociale* profoundly influenced a wide range of thinkers, including people who also influenced the development of co-operative movements, such as: Auguste Comte, Louis Blanc, John Stuart Mill, Léon Walrus, Karl Marx, and Pierre-Joseph Proudhon.

was, and is, a varied set of movements, perhaps best understood in terms of shared values and approaches.

In total, the movement provided impressive, if under-conceptualized and poorly remembered, ways to deal with economic difference, social divisions, and political tensions. It offered the concept of democracy, a radical and evolving idea at the time (as it still is) as a way to harmonize differences and overcome animosities. It typically advocated inclusiveness over class warfare[3] and that perspective differentiated it from other more radical movements of the day, especially Marxism and some types of anarchism. The movement stressed the value of individual growth within mutuality and reciprocity, not the independent acquisition of wealth by individuals irrespective of the impact on others or on communities. The leaders of the movement came from diverse backgrounds, meaning the movement had the capacity to involve and train the formally uneducated, and to engage more than the "chatting classes." Early on, the movement possessed the ability to engage governments and to penetrate power structures. It represented social power that could be, and often was, far-reaching. It recognized the importance of wealth, but limited its influence and rewards. It honoured participation over investment, in striking contrast to the capitalist emphasis on the dominant "rights" of invested capital. It rejected the inevitably of (and some would even say the virtue of) differentiated levels of power, wealth, and status. As the latter half of the century unfolded, it offered coherent ways to expand influence and build capacity, notably through its federated structures, thereby promising ways to build across barriers - for its most ambitious adherents, in fact, the potential for the development of a co-operative commonwealth. For some it was like a germ of empowerment and social cohesion that could multiply and grow, dulling competitive instincts and helping to create more equitable communities. They were what Charles Gide called the "mystic co-operators," people who believed:

> *…that each co-operative society which obeys the laws it has made for itself constitutes a little world organized in conformity with justice and social benefit, and that it is sufficient to let it develop*

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3 Perhaps Robert Owen best articulated the intention of including all kinds of people when he formed the *Association of all Classes of all Nations* in 1835.

spontaneously, either by growth or imitation, to realize in the more or less distant future the best of all possible worlds. [4]

The principle methods the movement emphasized – education for ordinary people, regular accountability by leaders, commitment to empowerment through solidarity, and federated structures for economic growth – were innovative and effective ways to amass people's power. They were the instruments through which the masses could gain "associative intelligence," personal and group growth in understanding the ways in which human beings could work together, a capacity that had to be cultivated, not just assumed to exist. They could reach across nations and over the divisions that were apparently tearing apart the contemporary world.

Ultimately, though, it is the movement's thought and practice, its values and principles, which provide the co-operative antidote to social discord and the descent into war. It is in demonstrating that it is possible for people with deep and historic differences to work together that the movement made (and can make) distinct and lasting contributions to the peace process. Unfortunately, that approach can also appear to be rather oblique and platitudinous. That is why it is necessary, within the limits of this brief paper, to examine some of the specific ways in which the movement reflected on, and contributed to, the peace process from the 1790s through to 1919. That is why it might be useful to recall the kinds of questions these initiatives and trends inevitably raised — for both then and now.

THE COMMUNITARIAN TRADITION

The communitarian tradition — the process of building distinct and usually new communities based on "sound" principles and "correct" values — was manifest in many ways. In a general sense, the co-operative movement developed within an ethos that drew on collective memories and continued patterns of social cohesion drawn from the medieval past, guild traditions, religious communities, feudal associations, and peasant societies; from what some have called the "moral economy."[5] As it developed an international focus, it encountered

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4 Charles Gide, *Consumers' Cooperative Societies* (New York: Knopf, 1912) p. 62.
5 For example, see E.P. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," *Past and Present* No. 50 (Feb., 1971) pp. 76-136.

other communal traditions among indigenous peoples that would help shape co-operative movements in other lands.

In the late eighteenth and the nineteenth centuries, though, the most dramatic and compelling impact came from a long string of intentional communities. Today, that association is typically given short shrift in most co-operative histories, perhaps because of their often inward-looking perspectives, their questioning of conventional marital practices, their frequent failures, and the tendencies of some towards cultism. Many, notably Karl Marx and some of his followers, dismissed them pejoratively, referring to them as utopian communities, meaning they were well intentioned, but feeble efforts

SOME QUESTIONS THAT ARISE:

What can be learned from the diverse traditions of communitarianism within the international co-operative movement?

How can co-operators better utilize the contributions to peace inherent in the movement's communitarian tradition? How might they be more mainstreamed within the international movement?

in the great struggle for a better world, creators of false consciousness rather than rigorous analysis and concerted action. Such scorn, albeit in more muted forms, could also be found within the broader co-operative movement as well.

Nevertheless, the list of such communities is long and continuous, beginning with those fostered directly by Robert Owen and including the Equitable Pioneers of Rochdale, one of whose primary, initial goals was the creation of "home colonies."[6] Others, particularly in France, were more influenced by the writings of Charles Fourier and Henri St. Simon, reflected in the national workshops of the 1848 Revolutions, the Paris Communes of 1870-71, Godin's familistère, and several communities in the United States. More moderately, the intentional community tradition contributed to the early forms of co-operative housing, for example in Edinburgh, Helsinki, and Berlin, where they were enclaves of worker solidarity and respectability.

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6 See Arnold Bonner, *British Co-operation* (Manchester: Co-operative Union, 1970) p. 46, for a copy of the "Objects of the Rochdale Pioneers" in which the intention of establishing self-supporting home colonies is articulated.

They include countless intentional communities based on co-operative visions created by immigrants in the European diasporas around the world.[7] They stretch to the present day. In the United States, for example, there are over 700 such communities today, many of them experiments in social peace, community solidarity, and pacifist activism. A common reason for their emergence — and for others in neighbouring countries like Canada — lay in protests against war, notably the Viet Nam war, and today, in opposition to the "War on Terror."

One can easily dismiss such efforts within co-operative history, but doing so is underestimating their influence in shaping attitudes, in affecting popular culture, in building different enterprises (such as organic foods), and in pioneering alternative ways to develop business. At their most commendable, they have been — and are — groups of people trying to "live their convictions," typically beliefs that share much with the co-operative heritage and its underlying commitments to peace and integrated communities. They are often leaders in thinking through innovative ways to live well with less, in pioneering better ways to generate power, in creating innovatively built environments, and in finding ways to respect the environment more consistently. The co-operative communitarian tradition has contributed significantly to the development of the kibbutz movement, Mondragon, communities in Central and Latin America, Mullakanoor in India, aspects of the northern Italian experience, the Seikatsu Club (and the consumer movement generally in Japan), ecovillages, the organic food industry, and Fair Trade. The many forms in which the co-operative communitarian tradition manifests are useful experiences to think about in understanding how peaceful practices could be more widely applied in the modern world. So too is their lingering impact on the Community Economic Development (CED) tradition. This co-operative tradition is an important strand in the history of co-operative involvement in the peace process. It was not an aberration from the movement's early periods.

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7 See, for example, *The Utopian Alternative: Fourierism in Nineteenth Century America* (Ithaca: Cornell University Press, 1991), Robert Fogarty, *All Things New: American Communes and Utopian Movements, 1860-1914* (Chicago: University of Chicago Press, 1990) and Edward K. Spann, *Brotherly Tomorrows: Movements for a Cooperative Society in America, 1820-1920* (New York: Columbia University Press, 1989).

FAIR CONSUMPTION FOR ALL

Though the co-operative movement developed amid and following the revolutionary and Napoleonic wars, in the century that followed it was more concerned with issues of social peace: the deepening struggles among classes, the problems of widespread poverty amid growing plenty, the inadequacies of charity in coping with the social evils of the time, and the dominance of production over fair and equitable consumption. One can argue, in fact, that the most obvious ways in which the early international movement sought to contribute to peace was through the production of better and fairer-priced necessities of life. That was the main preoccupation of the co-operative consumer movement, the most powerful of the co-operative sectors in the nineteenth century. In a way, too, it was also a feature of the agricultural sector, as its main concern was to stabilize rural economies so farmers could produce high quality and reliable foods for urban markets. These were not simple matters. The production, processing, and consumption dimensions assumed much more importance than they do today, at least in the wealthier parts of the globe. Two of the great co-operative movements of the time — the consumer and agricultural production movements — were mobilized to address the problems associated with the production, processing, and distribution of food and other consumer goods. Some within the consumer movement, notably Beatrice Webb[8] and Charles Gide,[9]

SOME QUESTIONS THAT ARISE:

How can co-operators strengthen the international co-operative production and distribution of food and other consumer good as a way of reducing producer/consumer tensions and ensuring fair pay for work performed?

How can co-operators strengthen their international alliances?

How do co-operatives live up to the ideals that should motivate their development of international alliances? Do they need a new "branding" to demonstrate those commitments?

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8 See Sidney and Beatrice Webb, *The Consumers' Co-operative Movement* (London: Longman's, Green, 1921).
9 See Charles Gide, *Consumer Co-operative Societies* (New York: Knopf, 1922).

envisioned no less than the development of a full and peaceful economy based essentially on the wise, responsible, and democratic production of consumer goods through co-operative organizations. At heart, it was an attractive idea, because it promised not only good quality goods at fair prices but also a technique for overcoming the class, rural/urban, and social differences of the age.

The search for better and fairer-priced goods also invited collaboration across national boundaries. It was one of the main impetuses behind the creation of the International Co-operative Alliance in 1895. It led to the first efforts at international collaboration. To this day it remains an attractive, if underdeveloped, alternative to trans-national corporations and a way in which, one could hope, for a fair and equitable alternative to build economic relationships among regions around the world. Ultimately, societal conflict and national rivalries would be much reduced if more people had good access to consumer goods appropriately priced and fairly produced.

WORKER CONTROL OVER WORK

The rise of Industrialism raised many workplace issues and challenges. The co-operative world responded in part by advocating enhanced worker control over their work places.[10] The earliest and, for many years the strongest, worker co-op movement was in France, but in various forms it soon spread throughout the industrializing world. Today, it continues to do so, and is one of the fastest growing movements in the co-operative world. Invariably, worker co-operatives are primarily concerned with industrial peace, with avoiding management/worker conflict, and developing alternative

SOME QUESTIONS THAT ARISE:

How can co-operative responses to workplace change be better understood, more effectively promoted, and more adequately financed?

How can the co-operative workplace approach to more peaceful relations be more directly and effectively addressed through government policies, development programmes, and international organizations?

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10 See Johnston Birchall, *The International Co-operative Movement* (Manchester University Press, 1997) pp. 39-40 and 97-102.

styles of firm management. Like the consumer movement, and to a lesser extent the agricultural movement, it had a rich ideological base, in its case, with working class and left wing political movements. It identified aspects of capitalist production as the chief cause of industrial unrest and, through class antagonism, as a principal cause of warfare. It sought for organizational ways to bring about industrial peace.

We live in another time of significant workplace transformation associated with trade liberalisation, changing roles of the state, outsourcing, the rise of India and China as major economic forces, the extensive movement of peoples around the world, and the decline of trade unions in many jurisdictions. The centrality of worker issues and labour policies is evident in the youth riots in France, as well as in intense debates and public demonstrations in the United States — among the most intense in American history associated with illegal immigration. In fact, most of the urban centres around the world, in one way or another, include growing ghettoes of unemployed or underemployed people, often associated with explosive mixtures of races, religions, ideologies, and gender issues. They provide the social and economic mix within which co-operatives (for example, in the form of community kitchens, housing co-ops, social co-ops, and worker co-ops) could play major roles in reaching for peace.

THE ROLES OF CO-OPERATIVE FINANCIAL INSTITUTIONS

 Co-operative financial institutions have also had their own inheritance concerns with achieving higher levels of social peace, starting with the work of Raiffeisen[11] and Desjardins,[12] but also to some ex-

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11 See H. H. Münkner, "Raiffeisen and Agricultural Co-operatives" in Chushichi Tsuzuki, Naobumi Hijikata, and Akira Kurimoto (eds.), *The Emergence of Global Citizenship: Utopian Ideas, Co-operative Movements, and the Third Sector* (Tokyo: Robert Owen Association of Japan, 2005) pp. 209-222; G. Aschdorff and E. Henningsen, *The German Cooperative System* (Frankfurt am Main: Fritz Knapp Verlag, 1966) pp. 6-9; Brett Fairbairn, "Raiffeisen and Desjardins: Co-operative Leadership, Identity, and Memory" in Brett Fairbairn, Ian MacPherson, Nora Russell (eds.), *Canadian Co-operatives in the Year 2000: Memory, Mutual Aid, and the Millennium* (Saskatoon: Centre for the Study of Co-operatives, 2000) pp. 13-27; Ian MacPherson, *Hands Around the Globe: A History of the International Credit Union Movement and the Role and Development of the World Council of Credit Unions* (Madison: World Council of Credit Unions, 1999) pp. 4-6.
12 See Guy Bélanger (with Claude Genest), *Là où tout a commencé: la Caisse populaire de Lévis, 1900-2000* (Québec: Éditions Multimondes 2000) pp. 5-15.

tent with that of Shulze-Delitzsch,[13] Luzzatti, and Wollenburg.[14] In the case of the first two early leaders, co-operative financial institutions grappled with concerns over ethical and moral issues, such as how a competitive economy created poverty, alienation, and despair, and how the ethical practice of banking services for widening circles of the population could create social peace and economic opportunity. For the latter three, concerns were focused more on providing opportunities for individuals to compete more effectively in the developing market place, thus reducing social tensions, such as those associated with the revolutions of 1848. Other traditions of co-operative banking, such as those connected to the consumer and co-operative movements, were part of larger agendas, integrated into efforts to build substantial co-operative programmes with a widespread impact. The cases of Japan and Korea, with their extensive cultural efforts and attempts to enhance rural culture are notable. [15]

Though the banking traditions might seem to have narrowed their purview over time, they can still be important in contributing to social cohesion, providing capital for social purposes, and encouraging co-operative and other movements with clear social goals and peaceful objectives. The Co-op Bank in the United Kingdom is a remarkable contributor to social peace through its support for ethical trade and its commitment to social responsibility,[16] as

SOME QUESTIONS THAT ARISE:

How can the contributions to peace, real and potential, of the co-operative banking sector become better known?

How can governments, development agencies, and international organizations better recognize and assist the co-operative approach to financial development?

How can more flexible approaches between co-operative banking and various kinds of community-based economic and social organizations be fostered?

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13 See G. Aschdorff and E. Henningsen, *The German Cooperative System* (Frankfurt am Main: Fritz Knapp Verlag, 1966) pp. 6-9.

14 See John Earle, *The Italian Cooperative Movement: A Portrait of the Lega Nazionale delle Cooperative e Mutue* (London: Allen and Unwin, 1986) pp. 10-21.

15 See Johnston Birchall, *The International Co-operative Movement,* pp. 169-178.

16 For the Co-operative Bank see Johnston Birchall, "Business Ethics: Case of the UK Co-operative Bank," in Chushichi Tsuzuki, Naobumi Hijikata and Akira Kurimoto (eds.), *The*

are for example, Vancity and Assiniboine Credit Unions in Canada,[17] and community credit unions in the United States.[18] Thrift and credit societies in African and Asia have also bridged differences, most obviously in Sri Lanka (as discussed elsewhere in this book). In several countries, co-operative financial institutions have been leaders in the development of ethical investment programmes and in financing ethical trade, and the emergence of "green power." The international co-operative insurance network, its resources concentrated in International Co-operative and Mutual Insurance Federation, formed in 1922, is known for its strong support for sustainability and corporate social responsibility, as well as its commitment to building strong co-operative and mutual insurance societies around the world.[19]

SERVICE CO-OPERATIVES

Though they were comparatively weak within the international movement in its development years, co-operatives providing needed and desired services (such as, housing, health, travel, pharmacies, education) were, in part, reactions to problems and deficiencies in the societies of the time. Such co-ops have grown steadily in the modern period, some in close conjunction with other co-

SOME QUESTIONS THAT ARISE:

How can we promote the development of social service co-ops to better address underlying social divisions and economic discrepancies?

How do we create an international approach to the development of social services within an international framework?

How do we make people engaged in providing or developing social services to appreciate fully the contributions co-ops can make within community groups and social classes?

Emergence of Global Citizenship: Utopian Ideas, Co-operative Movements and the Third Sector (Tokyo: Robert Owen Association of Japan, 2005) pp. 259-276.

17 For Vancity Savings Credit Union see www.vancity.com and for Assiniboine see www.assiniboine.mb.ca

18 See John Isbister, *The Community Development Credit Union Movement in the United States* (Davis: Center for Cooperatives, 1994).

19 For ICMIF see Jim Kennedy, *Not by Chance: A History of the International Co-operative and Mutual Insurance Federation (ICIMIF)* (Manchester: Holyoake Books, 1999) and its website (www.icmif.org).

operatives (such as insurance and housing), but more in various degrees of isolation. These kinds of co-operatives might be viewed as reactions to social and economic issues of the time, as "niche" co-ops filling places left by market failure. They were particularly affected by the ways in which the welfare state emerged and was defined in the twentieth century - though the concept of the welfare state takes on different shapes in different political systems around the world and different hues within different cultures. It is an important stream within the co-operative tradition, because it helps to address underlying social and economic issues in a direct and accountable way. It can provide a major contribution to social peace, arguably of even greater importance now, as the role of the state changes around the world.

PACIFISM AND ANTI-MILITARISM

As the nineteenth century drew to a close, the threats of war became more ominous amid the intensifying competitions of empires and the growth of the arms races. One response to this alarming trend was the growth of pacifist and anti-militarist groups, including to a significant extent, groups within the international co-operative movement. In large part, they were carried by women's co-operative guilds in several countries. The guilds were particularly prominent in making the case for the outright rejection of war as a possibility and for their opposition to forces in society that tended to accept warfare uncritically, or even enthusiastically. They led the way in opposing the build up of armaments in the years leading up to World War One.[20]

There were other important strains of pacifism within the international movement as the war started, though it tended to decline amid the nationalist sentiments naturally engendered as the war progressed. Rather significantly though, co-operators, notably through their consumer societies, insisted on maintaining as much contact with fellow co-operators "behind enemy lines" as possible, and the

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20 See Margaret Llewelyn Davies, *Life as We Have Known It* (New York: W. W. Norton & Company, 1975).

work of the International Co-operative Alliance in this respect is especially noteworthy.[21]

As World War One drew to a close, many people within the international movement were determined to prevent such wars in the future. Most of the co-operative movement ardently supported the development of the League of Nations, seeing in its emphasis on compromise, the rule of law, and democratic processes, the best hope for the future. They focussed as much on industrial and social peace as on diplomacy, seeing them as central to the elimination of the tensions that lead to war. One result was the development of the Co-operative Unit within the International Labour Organization, a project particularly important to the ILO's first director, Albert Thomas from France.[22] Co-operators within several nations also gave their support to a number of political movements concerned with "peace" and improved democratic practice. These included the formation of the Co-operative Party in the United Kingdom, the Progressive Party in Canada, the continuation of the progressive movement in the United States, and the Farmer's Party in Australia. There was even a profound impact on the educational reform movements of the period, questioning celebrations of the "dogs of war" in curriculum, encouraging the development of "progressive education" (with its emphasis on community building, democratic process, and practical subjects), and fostering adult education activities, particularly in the North Atlantic world

SOME QUESTIONS THAT ARISE:

Should the co-operative movement participate in peace initiatives? If so, which ones?

Does the co-operative movement have an obligation to foster deeper and sustained analysis of peace issues? To play a role in helping to avoid war?

Are there issues on which the co-operative movement, co-operative organizations, and co-operators should take a stand?

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21 See Rita Rhodes, *The International Co-operative Alliance in War and Peace 1910-1950* (Geneva: International Co-operative Alliance, 1995).

22 See G.A. Johnston, *The International Labour Organization: Its Work for Social and Economic Progress* (London: Europa Publications, 1970) pp. 81-82.

– all, to some extent, efforts to find more co-operative solutions to deep economic and social questions.

The pacifist and anti-militarist strains within the international movement have been sustained by various groupings within the international movement throughout the twentieth century, including some people from Buddhist and Hindu faiths, as well as some Unitarians and humanists, many of whom adhere strongly to pacifist beliefs. Their views can be found in many parts of the movement, echoing strong anti-militarist traditions derived from nineteenth century conceptualizations, and repelled by the widespread obscenities of twentieth century warfare. In more recent times, such sentiments have been particularly evident in Japan (as discussed in other papers in this book). The pacifist and anti-militarist traditions are of greater importance to the international movement than is currently widely understood, even though many within the movement turned away from pacifism in the face of the genocide of fascist regimes and the collectivisation of Stalin's USSR in the 1930s.

SOME QUESTIONS THAT ARISE:

Should the movement, co-operative organizations, and co-operators actively engage in efforts to promote peace?

Are there some issues that are more important than others – issues that should not be avoided? If so, what are they?

CONCLUSION

The year 1919 ushered in a twenty year period characterized by uncertain peace, deepening turmoil, imperial tensions, and totalitarian threats. That period ended with the worst war in human history. The rush of events, it can be argued, generally bewildered many people within the international movement. The movement was particularly challenged by the issue of how to react to co-operatives within the Union of Soviet Socialist Republics; specifically, were they sufficiently independent of the state to be co-operatives and did members really have any effective voice in their operation? Those questions were not resolved until the 1990s, though it is important, as it was during World War One, to note the movement's capacity to include markedly different perspective within its framework, and to main-

tain contact across boundaries other movements found impassable, again notably because of the efforts of the International Co-operative Alliance.

There are, therefore, powerful traditions of co-operative engagement with peace issues, traditions that emerged strongly within the movement's development periods. There is value in engaging in a reflective dialogue within those traditions. Circumstances are different, pressures vary somewhat, and opportunities contrast considerably because of communications changes and ideological transformations, but the past suggests possibilities, some still very evident, though hardly "top of mind," others are diminished by the debates and experiences of more than a century. The challenges co-operators face are to come to terms with the co-operative experience in peace making, to learn what they can from it, and to project to the co-operative movement, and the world in general their vision of what is and should be possible. Perhaps the paths and alternatives of the developmental periods will help to distinguish what they might consider, what they could plan, and what they might suggest. The contexts vary, but the questions remain. Perhaps the best answers will also be similar.

RITA RHODES PH.D

The International Co-operative Alliance During War & Peace 1910 -1950

The International Co-operative Alliance (ICA), founded in London in 1895, is significant for a number of reasons. One is that it is one of the oldest international non-governmental organizations. A second is that it survived the two World Wars and the Cold War when similar international working class movements espousing peace and the brotherhood of man split under the pressures of total war and divisions of doctrine. A third reason is that throughout its long history the ICA has consistently campaigned for world peace.

During the period 1910 to 1950, the Alliance could claim to be an international working class organization. Its membership statistics for the period[1] reveal a predominance of consumer co-operative movements. To a considerable degree their membership was comprised of wage-earners who subscribed to the working-class culture of the period and frequently joined trades unions and workers' political parties. This working-class focus meant that the ICA had af-

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1 Rita Rhodes, *The International Co-operative Alliance during War and Peace 1910-1950* (Geneva: International Co-operative Alliance, 1995) p. 369.

finity with the Socialist International and the International Trade Union Federation. It developed relations with both, but particularly with the latter with whom it shared practical, as well as ideological concerns. All three campaigned for the advancement of the working classes and for international peace. However, 20th century conflicts caused two of these organizations to split along communist and non-communist lines. Only the ICA remained united. Its survival provides us with the rare opportunity to study how it maintained a consistent peace policy over 100 years. In examining its elements though we need to keep in mind the ideological and organizational frameworks in which they were formulated.

ELEMENTS IN ICA PEACE POLICY

The Alliance's ideology reflected a number of aims. "[T]he amelioration of the lot of the working classes," as mentioned in its first original constitution, was one.[2] Others included internationalism and peace, which had been present in co-operative ideas from the time of Robert Owen (1771-1858). His calls for a *New Moral World*, and an *Association of All Classes of All Nations* had found particular resonance. However, the formation of an International Co-operative Alliance was not really feasible until a number of national co-operative movements had been successfully established. This occurred in the second half of the 19th century and by its latter years it was possible to envisage an international alliance between them. Given 19th century co-operatives' concern for the moral and ideological, it is perhaps not surprising that they envisaged peace-making roles for the alliance. One suggestion made was that it should try to settle disputes arising from competing economic theories and methods. Another was that it should seek to bring about social and international peace.[3]

After the International Co-operative Alliance was formally established in 1895 its membership included individual co-operative leaders as well as co-operative organizations. Individual members were not excluded until rule changes in 1921. The ability of eminent

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2 *Ibid.* p. 24.
3 *Ibid.* p. 18.

co-operators to be active in the ICA influenced the formulation of its early peace policy. Important in this was Hodgson Pratt (1824-1907). His eminence stemmed from his close association with the Christian Socialists, his leadership in many late 19th century co-operative developments in Britain, and his role as a founding member of the ICA.[4]

Pratt was a man of wide interests. He had served in the Indian Civil Service and upon retirement had maintained his Indian interests, writing about Indian affairs in the *Economist* and helping to found the National Indian Association. Significantly, within the context of the ICA's peace policy, he was also active in the International Peace Bureau and presided over its 11th Peace Congress held in Monaco in 1902 that had passed a resolution calling on national peace organizations to collaborate with co-operatives and other working class organizations to organise peace campaigns. It was perhaps not surprising therefore, that when the ICA held its own congress in Manchester later that year, Pratt reported on the International Peace Bureau's Peace Congress. His report led to two developments. One was the establishment of formal relations between the ICA and the International Peace Bureau, together with the endorsement of the latter's call for co-operatives and other working class organizations to work with national peace organizations. The second was the passing of a resolution proposed and seconded by the British and French delegations, which called for a permanent treaty of arbitration between the United Kingdom and France.[5] Through such a treaty it was hoped that systems of conciliation and arbitration in international disputes would be encouraged.

This may be considered the ICA's first peace resolution. A second was passed at its next congress held in Budapest in 1904.[6] However, a far more significant one was passed at its Glasgow congress in 1913 on the eve of the First World War.[7] Passed unanimously by 600 delegates representing 355 co-operative organizations from 24 countries,

4 Arnold Bonner, *British Co-operation* (Manchester : Co-operative Union Ltd., 1961) p. 498.
5 Rita Rhodes and Dionysos Mavrogiannis, *Thematic Guide to ICA Congresses 1895-1995,* Thirtieth in series of Studies and Reports (Geneva: International Co-operative Alliance, 1996) p. 14.
6 Rita Rhodes, *op. cit* p. 73.
7 *Ibid.* pp. 75-77.

it set the tone for the Alliance's conduct in the coming war. It was also notable because speakers in its support came from co-operative movements whose countries would shortly be at war. The resolution called on co-operators to campaign for peace because "… the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of co-operation." It blamed the arms race for threats to peace and argued that "conflicts will disappear as the social and economic life of every nation becomes organised according to co-operative principles." Finally, the resolution declared that the Alliance was "in amity with all the co-operators of the world" and urged them to demonstrate with other organizations calling for peace.

Over the years the Alliance would pass many peace resolutions but they became only one aspect of the ICA's promotion of peace. It gave more practical expression during actual conflicts and the First World War now provides interesting illustrations.

THE ICA AND THE FIRST WORLD WAR

No doubt encouraged by the fraternal tone of the Alliance's 1913 Peace Resolution, ICA leaders maintained warm personal relations throughout the War. National co-operative leaders exchanged news of prominent co-operators called up for service in their national armies and wrote letters of sympathy to each other when family members were killed. Even enquiries about sweethearts and of prisoners of war were channelled though the ICA's head office in London. Throughout the War the head office maintained the monthly publication of the *Bulletin of International Co-operation* despite newsprint shortages. Perhaps a surprising development was the introduction of French and German editions. However, Henry May, General Secretary of the ICA between 1913 and 1939, retained overall editorial control in London.

Perhaps one reason for the continuation of good personal relations between national co-operative leaders was that they believed, as Henry May asserted in the late 1930s, that the war was an imperialist war from which it was possible to maintain some degree of detachment.[8]

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8 *Ibid.* p. 229.

Co-operative movements, however, could not escape the dislocation that the war brought, particularly its bitter final stages. Its various forms will be described shortly. The aftermath of the War also slowed the resumption of ICA meetings. At a practical level coal shortages limited rail travel. At diplomatic levels the peace settlements generated ill-feeling. ICA General Secretary Henry May felt that it was wiser to delay ICA gatherings while such feelings existed. He warned that difficult questions "with regard to territory, nationalities, annexations or no annexations, indemnities or no indemnities" could adversely affect goodwill within the ICA. May suggested that a "declaration by the co-operators of the world in favour of a League of Nations would be more useful than an immediate meeting...."[9]

The ICA's Central Committee did not meet until 1920, in Geneva. Its first post-war congress was held a year later in Basel. The judicious timing of initial post-war ICA meetings undoubtedly helped to heal the wounds of total war among ICA member co-operative movements. Another means, not dissimilar to the South African post-apartheid Truth and Reconciliation Commission, was the *Report of the Central Organizations on their Activities during the War.* Proposed by the French, it provided the means through which national co-operative movements could describe their war-time experiences, confess where governments' war efforts had required them to breech co-operative principles, and re-introduce themselves to each other in a vastly changed post-war world. It now provides historians with detailed accounts of how the 1914-18 war affected co-operatives.

Included in it are accounts from co-operative movements in Armenia, Austria, Belgium, Canada, Czechoslovakia, Denmark, Finland, France, Georgia, Germany, Great Britain, Holland, Hungary, Italy, Norway, Russia, Spain, Switzerland, Ukraine, and the United States. By and large, they had improved their national status through their contributions to national war efforts. Co-operative bakeries, horses, and co-operative halls had been utilised in support of armed forces. Some governments had also used consumer co-operatives to channel rationed goods. However, some national movements such as the British had already introduced rationing schemes among their members so as to ensure the equitable distribution of scarce goods.

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9 *Ibid.* p. 85.

Consumer co-operatives became important to government for another reason. Their membership was largely working class and governments now found it imperative to forge good relations with the working classes. Their contribution to national war efforts had become crucial as total war intensified. In some countries such improved relations with governments brought benefits, in others they brought difficulties, as in Austria. There the working class nature of its consumer co-operative movement was diluted when government required it to open its membership to the middle classes so that they could receive rationed goods. Elsewhere, as in Russia and Norway, governments compelled their co-operatives to trade with non-members for which they apologised in the *Report* for breaking what was then considered to be a Co-operative Principle.

Another consequence of closer government/co-operative relations was that some co-operative leaders became war-time government ministers. Albert Thomas in France and Dr. Karl Renner in Austria, are examples. However, wartime relations between governments and co-operative movements were often tense and led to two national co-operative movements taking direct political action. War-time grievances led the British, in 1917, to form what later became known as the Co-operative Party. In Russia also, between the first and second Russian revolutions, Centrosoyus took direct political action and formed a short-lived political party.[10]

The Reports of the Central Organizations on Their Activities during the War appears to have helped inter-co-operative relations in the aftermath of the War. Besides its damage and dislocation, the War had other consequences, including revolutions. In Russia this occurred before the end of the war, while revolutionary tendencies leading to the rise of extreme right-wing Nazi and Fascist regimes elsewhere in Europe occurred after it. Both types were authoritarian and totalitarian and adversely affected co-operative movements during the inter-war years.

The War also led to contentious peace settlements which led to the redrawing of national boundaries. Countries, including Poland, Czechoslovakia, Armenia, Ukraine, Estonia, Lithuania, and Latvia became independent states thus posing problems of recognition

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10 *Ibid.*pp. 77-81.

within the ICA. Despite protests from ICA member movements who had recently counted these co-operative movements within their membership, these countries promptly applied for ICA membership. In doing so, they illustrated how president Henry May's warning had been about how "very difficult questions with regard to territory, nationalities, annexations or no annexations, indemnities or no indemnities…" could affect the ICA. The Alliance eventually resolved that the determining factor of whether a co-operative movement was eligible for ICA membership was whether the borders of its country had been internationally recognised.

Despite these upheavals, the ICA remained a pro-active peace organization during the inter-war years, and it showed in various ways. One was to rush to the defence of its member movements in Italy, Germany, and Austria when fascist and Nazi governments threatened them. It also established relief funds for co-operatives in Czechoslovakia and Spain and helped co-operative leaders from those countries to find exile with co-operatives in Sweden and South America. It voiced its opposition to fascist regimes by resolution and by strongly worded articles in its monthly *Review of International Co-operation.* Throughout the inter-war years the ICA maintained its support for the League of Nations. It also sent representatives to the International Conference on Disarmament, which was held in Geneva between 1932 and 1934. So seriously did the Alliance take itself as a peace promoting organization that in 1928 it attempted, unsuccessfully, to nominate a leading co-operative figure for the Nobel Peace Prize. Visible manifestations of its internationalism and desire for peace appeared when it instituted its annual International Co-operative Day and adopted the Rainbow Flag.[11]

THE ICA AND THE SECOND WORLD WAR

When the Second World War began in 1939 the Alliance had been a campaigning peace organization for over four decades. Henry May, its General Secretary, died in office two months after the war began but his final article in *The Review of International Co-operation,* entitled "The War-Time Tasks of the ICA", proposed guidelines for

11 *Ibid.* pp. 66-67.

the Alliance during the War.[12] At the outset he drew a sharp distinction between the two World Wars. The first had been an "imperialist war" but the new War was the "last stand against an avalanche of barbarism which, let loose upon the world six or seven years ago, has destroyed the liberties, ruined the lives of millions." Now it was "necessary to meet force with force as the alternative to destruction."

May believed that the main aim of co-operatives should be to replace capitalism with co-operation, but to do this it needed to support "those fundamental principles of liberty for which the war is being waged."[13] He thus anticipated the stand that the Alliance would take during the war, which would be on the side of the Allies, i.e., USA, Britain, France, and Russia. May believed that at the end of the War the Alliance should be actively involved in the peace settlements and the rebuilding of the post-war world: it should support a "World Settlement" based on "Freedom, Security, and Universal Peace." Continuing, May urged that any peace conference at the end of the War should not be limited to those "who had made the war, or were responsible for its military conduct," and argued that "there should be no hegemony of any nation, whether victor, vanquished, or neutral." He believed that the international co-operative movement had lost ground and had failed to achieve a place in the League of Nations or to benefit from the contributions of co-operatives to their national war efforts because it had not been present at Versailles. Although it gained some later recognition through its participation in the World Economic Conference, "we missed the way to the Peace Conference, and have never regained the lost ground." He thought that capitalist organizations would "not meekly remain in the background to accept the crumbs that fall from the conference table. Neither should we…."[14]

There was no Versailles-like conference at the end of the Second World War. Nevertheless, the Alliance's war-time administration managed to carry out closely the lines suggested by May. Early in the War it became actively involved with the embryonic United Nations, particularly with its wartime agencies for food, relief, and rehabilita-

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12 *Ibid.* p. 229.
13 *Ibid.* pp. 229-230.
14 *Ibid.* p. 233.

tion. In 1946, it became one of the first three international non-governmental organizations to gain consultative status with the UN.[15]

Such achievements were remarkable given that events quickly damaged the ICA's administration. Meetings and communications were soon disrupted and a new General Secretary following May's death could not be appointed. Miss Gertrude Polley, the Alliance's Administrative Secretary, was thus asked to lead the secretariat during the war with the help of R.A. Palmer, who was General Secretary of the British Co-operative Union and one of the ICA's two Vice Presidents. They faced many practical problems. ICA staff was reduced from 20 to eight because of redundancies, bombing injuries, internment, and army call up. There were also constitutional difficulties. Meetings of the Central and Executive Committees could not be held and no Congress could be called. One way round these calamitous circumstances was for the Alliances largest delegation, the British, to form itself into a war-time Central Committee. It thus became capable of overseeing the work of the secretariat. After the War this provisional Central Committee reported fully on how it had handled ICA business during the War. A further constitutional headache was that created by the Alliance's President, Vaino Tanner. He became a controversial figure during the War. Besides being ICA President and a leading Finish co-operative official, he had also been Finland's Prime Minister and had held other ministerial posts during the inter-war years. In November 1939 the USSR attacked Finland and a 15-week war followed. As a result Finland lost territory and later allied herself with Germany. This was embarrassing for the ICA which could not meet to de-select Tanner or elect a successor. R.A. Palmer became the ICA's Acting President.[16]

The War brought threats of bomb damage. ICA offices were not directly hit, but Great Smith Street, where they were located, was bombed. To guard against destruction Miss Polley placed the Alliance's most valuable records with the Co-operative Wholesale Society's Bank in London. They included "original documentation relating to the history of the ICA and the co-operative movement in the different countries, many of which are out of print and irreplace-

15 *Ibid.* pp. 267-279.
16 *Ibid.* pp. 241-253.

able." She also insured the ICA library and other effects under the War Damage Act.[17] Throughout the War the *Review of International Co-operation* continued to be published and included some important debates. One was titled: Co-operatives and the State.[18] To some extent this represented an ideological shift within the ICA but it also revealed a forward-looking ICA despite the War.

There was a tradition within the ICA of member movements showing their solidarity with those being oppressed. During the 1930s the ICA had set up relief funds to assist European co-operative movements beset by fascist or Nazi take-overs. Before the end of the 1939-45 war it had established a further fund to aid European co-operative movements ravaged by war. This fund was brought into use immediately after the War ended.[19]

The Second World War had posed greater difficulties for the ICA than the First World War had done. Nevertheless, by resourcefulness and improvisation it had survived them and was able to hold its first post-war congress in Zurich in 1946. However, new difficulties awaited it in the Cold War that was about to begin.

THE ICA AND THE COLD WAR

What came to be known as the Cold War had no formal beginning. Tensions between the two super powers, the USA and USSR, and the blocs they formed only gradually became apparent from the late 1940s onwards. Co-operative movements within the USSR and the USA had long been members of the ICA, the former since 1903 and the latter since 1917. Unity had proved possible during the First World War. A different situation existed in the Second World War. The Alliance readily fell in line behind the Allies because their war aims coincided. The fact that its Nazi and fascist dominated co-operative movements had already left the ICA made this easier to do. The Cold War, however, would see the Soviet central co-operative organization, Centrosoyus, and the Co-operative League of the USA (CLUSA) both remaining in ICA membership. This threatened not only the ICA's unity but also its concerted peace policy.

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17 *Ibid.* p. 257.
18 *Ibid.* pp. 259-266.
19 *Ibid.* pp. 297-298.

CLUSA's membership never became a problem[20] but that of Centrosoyus did. There had been several earlier occasions when Centrosoyus might no longer have been considered eligible for ICA membership and expelled. The first was after the Russian revolution in 1917 but ICA leaders had been uncertain how to respond and initially some welcomed the new Soviet regime.[21] By the late 1930s doubts about Centroysoyus's eligibility had strengthened. Henry May asked in the *Review of International Co-operation,* "Is the Co-operative Movement extinct in the USSR?" He concluded that it was.[22] Soviet membership of the ICA might have been discontinued had not the Second World War begun and the USSR become one of the Allies in whose support the ICA had declared itself.

In the Cold War it only gradually became clear that Centrosoyus did not want to split the ICA into communist and non-communist organizations as had happened with the World Federation of Trade Unions in 1949 and the Second Socialist Internationale in 1919. Rather it wanted to gain control of it. It might then have been expected that the main bulwark against this would have been the Co-operative League of the USA. During the Second World War CLUSA had been in the forefront in mapping out future ICA policy and in representing the Alliance within the embryonic United Nations. Such a level of participation could have been expected to continue after the War. Strangely enough it did not. Consequently, Western European co-operative movements had to lead the resistance to communist attempts to order ICA agendas, change ICA rules, and influence policies, particularly that on peace. These attempts were defeated by constitutional and procedural stratagems and ideological arguments that produced some of the Alliance's finest debates.

A key question was voting rights. Those of Centrosoyus were secure, but attempts to increase those of the Communist bloc from joining the ICA through Soviet controlled co-operative movements in countries such as Poland, Hungary, Czechoslovakia, and the newly created East Germany were successfully resisted. However, the ICA's longevity may have fostered a kind of folk memory that predisposed

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20 *Ibid.* pp. 358-359.
21 *Ibid.* pp. 100-112.
22 *Ibid.* p. 122.

ICA leaders to some kind of accommodation with such movements. Although now under state control, memories of pre-1939 relations may have remained, together with some personal links. It may therefore have been difficult for the Alliance to turn its back on them completely. At the ICA's Paris Congress of 1954 a new rule was introduced which permitted Associate Membership. This allowed state-controlled co-operative movements in Soviet satellite states to apply for observer status within the ICA, but with no voting rights.[23]

This was a compromise solution. The Alliance's peace policy represented another compromise. A good example occurred at the Prague Congress in 1948 where a pious resolution was produced.[24] Its actual words, and the length of the resolution, suggest that there was difficulty in reaching agreement between the communist and non-communist wings of the ICA. Alliance minutes show that communist hopes for this resolution were thwarted by procedures and the relative voting strengths of the two groups within the Alliance.

When the Alliance's Central Committee proposed a draft of a peace resolution the Soviet delegation submitted an amendment which the Congress Bureau (Standing Orders) felt was irreconcilable with the original motion. This led to the decision that both the motion and amendment should go before Congress. However, this meant that there would have to be a straight vote. Previous voting patterns suggested that it was likely to be a close result and with it the danger that the Soviet amendment could be lost. The Soviet delegates therefore, sought a meeting with the French and Swiss delegations, from which a new composite motion emerged. It was then proposed in Congress and seconded by French and Soviet delegates and passed unanimously

CONCLUSION

Even in its most difficult periods, the International Co-operative Alliance maintained its support for world peace. At international levels it voiced the ideals of peace, while at national levels, its member organizations worked out many varied practical examples. The ICA's

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23 *Ibid.* pp. 344-5.
24 *Ibid.* pp. 348-349.

sustained peace policy is as remarkable as the Alliance's longevity. Both have been jeopardised by two World Wars and the Cold War. Each differed and demanded different responses from the Alliance. Ideologically and organizationally the Alliance proved strong enough to make such responses effectively over 110 years.

MADHAV MADANE

Peace and the Co-operative Movement in India

P eace is a very elusive term. Peace is not just the absence of armed conflict, but also the co-existence of various segments of a society in harmony and in a constructive partnership of mutual benefit.

We have to be very independent and not align with just any force in a conflict – otherwise our traditions will be devalued and we shall not be respected for our impartiality. Because the slightest prohibition can lead to conflict, we have to be careful how we support various parties. Harmonious relationships are our main aim with communities, different races, religions, and nations. We have to be careful because the allure of the peace mission can lead to war faster than the reverse.

In the saga of human history, the growth and passing of ancient civilizations, the medieval and modern centuries, co-operatives are late comers on the world canvas; however, coming together on the basis of mutuality and self-help for activities to benefit the community was not uncommon.

As Ghandi has said, "Even if your objective is good, your means cannot be bad – they also have to be good." So this is the emphasis I would like to make in the beginning.

Can we become ambassadors of peace? Yes – the answer is yes – co-operatives can prevent a breach of peace. Co-operatives respect human values. Co-operatives are concerned with the welfare of humans. From that angle I think that our credentials are established. I will now discuss the example of the co-operative movement in India.

INDIA – LASTING PEACE THROUGH CO-OPERATIVES

Perhaps the biggest contribution to ensure peace on the Indian subcontinent was the passing of the Indian Co-operative Credit Societies Act in 1904. It will be of interest to recapitulate some of the major developments in India that led to the passing of this Act.

The revolt of the Indian soldiers (the mutiny of 1857) ended the rule of the East India Company in most parts of the country and ushered in an era of direct rule by Queen Victoria over India as a colony within the British Empire. The memories of the revolt and the possibilities of another uprising were points of worry for the colonial rulers - because high levels of discontent, inefficiency in agriculture, and famines were still present. There were food riots in famine stricken areas and the famous Deccan riots by farmers, in 1875, remained a matter of concern for the government.

The freedom movement, led by the Indian National Congress, was gaining momentum, which gave added strength to the forces opposed to colonial rule. The radical wing of the freedom movement was in favour of an armed revolt for gaining independence. At the same time, a lobby favouring home rule for India was gaining support among liberal politicians in Great Britain.

The Imperial Lobby in England, haunted by memories of the 1857 mutiny, and worried by the growing influence of the Indian National Congress, desperately searched for a long-term solution to pacify the economically deprived population of the predominately agricultural colony. As mentioned, liberals in England were also looking for an economic solution to help the poverty-stricken country. Some of the co-operative leaders, who were active in the British and Interna-

tional Co-operative Movement were advocating the introduction of co-operatives to help solve the vexing problems in India of recurring famines, floods, and rural indebtedness. Notable among these leaders were Sir Horace Plunkett, Sir Earl Grey, and Sir Henry Wolff.

The main concern of the British co-operators at that time was to find a suitable co-operative model that could provide a workable solution in the context of the Indian agricultural situation. The consumer co-operatives in England were of no relevance to that situation. Agricultural co-operative models were available from Ireland, Germany, and Italy. Lord Plunkett had sponsored the Societies' Borrowing Powers Act and had successfully steered it through British Parliament. This Act was applicable to the Irish Agricultural Banks. In these efforts, Sir Henry Wolff worked with Sir Horace Plunkett and gained experience in their functioning. Sir Earl Grey was working for the International Co-operative Alliance (ICA) and had good knowledge and an understanding of the economic situation in India and other colonies.

An important factor in finding a suitable model for India was the link between British liberals, co-operators, and colonial administrators in India. It is interesting to note that the Madras Presidency, and not the Central Government, took the initiative in sponsoring the study mission of Sir Fredrick Nicholson to Europe (1900 – 1930). Firstly, the most favourable factor was that Lord Wenlock, who had co-operative links in England, was Governor of Madras. Secondly, a model of a rural co-operative was already functioning in the United Provinces because of the initiative of Sir Anthony MacDonnell. Sir Anthony had also delegated Sir Henry Dupernex to Europe to study rural co-operatives. Recommendations of these two missions resulted in the appointment of the Edward Law Committee to recommend a suitable co-operative model for the country.

The work of the Edward Law Committee on Co-operative Legislation was greatly facilitated by reports from Nicholson and Dupernex and the experience gained through co-operatives promoted by Sir Anthony MacDonnell. Sir Henry Wolff took great interest in the work of the Edward Law Committee. He even suggested in the recommendations the provision for the appointment of a registrar "equivalent to our registrars in Britain." But when the committee's

report was ready, Wolff was not very happy with a clause concerning the registrar. His comments were: "The clause 2(g) in the bill tempts also to a word or two on the official interference proposed, which may be necessary in India, all the worse for co-operation, but which has been meted out with no stinting hand. The registrar is to say who is eligible. The registrar is, I suppose, also to turn out undesirable members. That shifts responsibility, which properly belongs to the society, to the registrar."

In the Indian context, the registrar eventually became a central figure in the co-operative field. He not only ensured implementation of various provisions of the Co-operative Laws but also provided leadership and worked along with the non-official leaders for the formation and growth of co-operatives. According to Dr Rita Rhodes, "India's early co-operative legislation of 1904 and 1912 took the role of the colonial co-operative registrar far beyond that of his British counterpart and created a model for subsequent colonial co-operative development." The enlarged role made the registrar a more active and greatly involved civil servant in co-operative promotion, supervision, and regulation.

Thus, instead of ongoing confrontation, co-operatives facilitated partnerships in development between British administrators and Indian non-official leaders for the greater good of the people. This was made possible because of the positive attitude of the liberals and co-operators in Britain on the one hand, and on the other side, the age-old Indian tradition of "co-operative type," informal organizations all over the country, set up by people for savings, and providing services to people. The suitability of the co-operative organization was demonstrated by the fact that in almost every field of economic activity, a co-operative solution was made possible by people throughout the first century of the co-operative movement in India - which has just ended.

The Indian example of the prevention of further conflict in part draws on a co-operative solution to address that potential threat. India succeeded in having a co-operative movement. This example also spoke to other countries and helped them solve their problems successfully.

Worldwide, in their own humble way, co-operatives have reduced the chances of conflict or helped in rehabilitation. I would like to say that we should be proud of this co-operative movement. I would like to conclude that we, as co-operators, should not give up our efforts in whatever small way we can succeed to reduce the sufferings of people during conflict, to try and prevent it, and also to do what we can to remedy the situation afterwards.

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GILL SCOTT

Darkness at the End of the Tunnel: Pacifism, Democracy, and the Women's Co-operative Guild in England in the 1930s

The focus of this paper is the English Women's Co-operative Guild (WCG) and its involvement in pacifism in the 1930s against the backdrop of a rapidly deteriorating international situation with the rise of fascism and the growing threat of war. My contention is that within the co-operative tradition, work for peace needs to take forms that are congruent with the movement's wider commitments to democratic practice and to social justice. In this period of the Guild's history, the pursuit of peace, or, more precisely, the pursuit of pacifism, was privileged in ways that contradicted the core values of this broad-based co-operative women's organization. The adoption of absolute pacifism entailed a betrayal of established aims and methods of working, and, especially of democratic principles, that damaged the quality of the Guild's work and eventually, its organizational viability. The pacifist policy became, in the late 1930s, the source of considerable internal conflict, conflict that the leadership, for the greater part convinced pacifists, dealt with through autocratic forms of governance and a refusal to engage with the political challenges of fascism. When war broke out, the persistent adherence to

absolute pacifism as official policy imposed constraints on the Guild's scope for intervention in the war effort, leading to a large-scale loss of membership from which it never fully recovered.

The WCG was formed in 1883 as an auxiliary body of the English consumers' co-operative movement. For several decades it flourished as an organization that effectively linked the economic purpose of co-operation with its social aspirations. Recruiting tens of thousands of members (30,000 by 1914 and a peak of 88,000 by 1939) from the typical customers of the co-op stores - married women - it became a unique, self-governing organization. Its great and original contribution was to give a public voice to a social group that had always been silent and unseen in the domestic sphere of the home - the working-class housewife.

In its early years, the WCG established two distinct, but complementary, areas of activity: co-operative work (to promote co-operative trade) and citizenship work (to expand the horizons of co-operative women). These twinned "mission statements" enabled the WCG to enlarge the ambit of its work from co-operative trade to wider questions of social justice, and to insist that the former was in principle necessarily dependent upon the latter. Guild members, stated its leadership in 1915, looked to co-operation not only "to set up stores where they can obtain their goods and be provided with dividend, but to remove many evils connected with our present laws and customs, and to establish society on a more equal and just basis."[1]

As part of the development of the "citizenship" side of the guild's work, from the early 20th century, it styled itself as a "trade union for married women,"[2] taking up social reforms that particularly affected its members: women's suffrage, state provision of maternity care, and divorce law reform. A key point to note here is that these innovative single-issue campaigns were built up democratically. Elaborate consultation and education throughout the organization ensured a high level of awareness of the relevance of the particular issues to the lives of co-operative women, and thus a solid consensus was secured in support of the reforms proposed. At the same time, however, the WCG constitution, based on English co-operative models, made

1 WCG, *Annual Report*, 1913-14, p. 27.
2 R. Nash, *The Position of Married Women* (Manchester: CWS Printing Works, 1907) p. 9.

secure provision for the right of local autonomy and dissent. Guild policy was determined each year by a delegate congress, and implemented by an elected central committee (CC), a head office, and a permanent General Secretary. All local branches were then encouraged to support these "special subjects," but there was no compulsion for them to do so. To join the WCG, a woman had only to be a member of a co-operative society and to pay a small subscription fee to the branch, part of which then went to the Guild head office. There was no requirement to be bound by particular policies.

The strength of this democratic tradition is evident in the WCG's earliest involvement in peace work. During the First World War, moved by socialist and feminist objections to imperialist warfare, some leading guild women, including the then General Secretary Margaret Llewelyn Davies, were involved in setting up the British Committee of the International Women's Congress (BCIWC).[3] Anti-war resolutions were submitted by the central committee to guild regional conferences and to the annual congress, but did not win majority support. In 1918, for example, a CC resolution calling for a non-punitive, negotiated peace was defeated at congress by 397 to 336 votes.[4] That this outcome was for Davies and others, a depressing reflection of the strength of patriotism in the Guild,[5] underlines the fact that at this time the leadership respected democratic processes, and tolerated organizational differences of opinion.

As peace work became more mainstream in the 1920s, the WCG, with other women's groups and substantial parts of the labour movement, became involved in efforts to ensure the "Great War" really would be the war to end wars, pressing for measures to enable the League of Nations to become a democratic and effective peace-keeping agency, and for international disarmament.[6] During this period, the peace movement was a broad coalition of internationalists,

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3 J. Liddington, *The Life and Times of a Respectable Rebel Selina Cooper 1864-1946* (London: Virago, 1984) p. 263.
4 *Yorkshire Observer*, 13 June 1918; file of cuttings, Gertrude Tuckwell Collection.
5 *The Diary of Virginia Woolf*, Vol. 1, 1915-19 (Harmondsworth: Penguin, 1977), 24 June 1918, p. 159.
6 Report of Women's Guild, *Co-operative Congress Report*, 1920, p. 278; 1922, p. 182.

pacifists, war-resisters, and others.[7] The Guild worked with a range of peace groups, including the Women's International League, the National Peace Council, and the No More War Movement, going on demonstrations, getting petitions signed, and disseminating information.[8] From the closing years of the war, Guild women worked actively with schools to oppose military training for children, and to promote an agenda for peace.[9] Through the International Co-operative Women's Guild, founded in 1921,[10] the Guild was also involved in peace initiatives with women from other countries.[11]

Gradually, and in response to internal and external developments, this relatively flexible engagement with a variety of peace initiatives hardened into an explicit pacifist position - an ethical refusal of all forms of militarism. In 1928, a resolution at the WCG Congress urged the co-operative movement to use all possible means "to prevent and stop Imperialist war," and called upon co-operative women "in all nations to pledge themselves to take no part whatever in the perusal (sic) of any future war."[12] Five years later, the second of these clauses, the pledge to eschew all forms of militarism, was adopted as the only acceptable means of achieving the former. In 1933, Eleanor Barton, the General Secretary and an active pacifist,[13] introduced the Guild White Poppy, a non-militaristic symbol for Armistice Day, and a Peace Pledge Card that explicitly committed signatories "to refrain absolutely from militarist or war-promoting activities in any shape or form." "I solemnly declare," it stated, "my firm conviction that world problems can best be settled by reason rather than by force, and I therefore declare that under no circumstances whatever will I take part in, or help towards, the propagation of war."[14]

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7 For a full discussion of the British peace movement between the wars, see M. Ceadel, *Pacifism in Britain 1914-45: The Defining of a Faith* (Oxford: Clarendon Press, 1980).

8 For example, *Co-operative News*, 8 Oct. 1921, p. 13; *Co-operative News*, 18 March 1922, p. 13.

9 See WCG, *Annual Reports* throughout interwar period.

10 *Co-operative News*, 23 July 1921, p. 12.

11 N. Black, "The Mother's International: the WCG and Feminist Pacifism," *Women's Studies International Forum*, 7:6, 1984, pp. 467-76 (thanks to Jean Gaffin for this reference).

12 WCG, *Annual Report*, 1928-29, p.22.

13 Bellamy J. M. and J. Saville, *Dictionary of Labour Biography Vol. 1* (London: Macmillan, 1972P) p. 40.

14 *Co-operative News*, 1 July 1933, p. 12.

As the 1930s wore on, the WCG was increasingly dominated by the effort to enlarge this individual act of conscience so that it defined the whole organization. In 1936, the Annual Report affirmed that the WCG stood "firmly behind the pacifist declarations" made through its congress resolutions. At a Northern Section Annual School in October 1936, Barton called for the guild "to be completely pacifist."[15] The 1938 congress pledged the organization "to work for the Guild Peace Policy, which is the absolutist pacifist policy, and refuses to take part in war or preparation for war between the workers of the world."[16]

To represent the WCG as "completely pacifist" was, however, deeply problematic. Undoubtedly, the great majority of members supported various kinds of peace work. In 1937 it was reported that 1,029 of the 1,713 branches of the WCG had sold white poppies, and that Guild women had collected 30,000 signatures (not all from within the Guild) for the Peace Pledge Union.[17] But the pacifist hard core, those willing and able to abide by the pledge, remained a minority, albeit a dominant one. The Pacifist Convention in 1937, when the guild membership was over 80,000, was attended by just 174 guildswomen,[18] and in May 1939, at a demonstration organised by the pacifist No Conscription League, only 48 guild branches of more than 1,800 were represented.[19]

Yet even the conversion of the entire Guild membership to pacifism would not have altered the fact that the WCG was a co-operative rather than a pacifist organization. In the 1930s, the priority of Barton and other leading pacifists, it would seem, was to capture and hold the WCG for the pacifist cause by claiming that the two were synonymous, and by ignoring, or out-manoeuvring, the many dissenting views. In this they were assisted by constitutional changes that Barton and her allies had put in place in the late 1920s to give the national leadership greater control over the party-political affili-

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15 *Co-operative News*, 10 Oct. 1936, p. 13.
16 WCG, *Annual Report*, 1938-9, p. 17.
17 Founded in 1936, Ceadel, *op. cit.*, p. 318; WCG, *Annual Report*, 1936-7, p. 16.
18 WCG, *Annual Report*, 1937-8, p. 10.
19 *Co-operative News*, 9 May 1939, p. 12; WCG, Central Committee Minutes, 15 and 16 May 1939.

ations that were officially available to guildswomen, and, by extension, over Guild policy generally.[20]

These authoritarian traits were in evidence when Barton first introduced the peace pledge to a meeting of regional officials early in 1933. Senior guildswomen expressed serious reservations about its feasibility. There were many members, it was pointed out, with relatives employed in the arms industries. What were they supposed to do? Looking further ahead, in the unfortunate event of a war breaking out, the pledge would cut off the Guild from important areas of social work.[21] Barton's response to these concerns demonstrated her single-minded determination to win the argument, and her reliance on emotional, rather than rational, means for so doing. Ignoring the substance of the questions, she urged everyone "to have courage and go forward." The WCG, she said, "had always been a pioneer and this was a work to be done."[22] She adopted a similarly evasive tone later that year when delegates at congress complained that large quantities of the white poppy had been ordered without any discussion of the subject at congress. Side-stepping the issue of democratic accountability, Barton charged her audience with not having enough "courage" to wear the white poppy. They should not, she insisted, quarrel over a symbol, but "remember the underlying principle;" this was "a pioneer act, showing guildswomen stood for peace in its purest ideals."[23]

Divisions over the pacifist policy intensified as the international situation worsened, and growing numbers in the WCG, as on the "Left" generally, became troubled by the limitations of individual conscientious objection as a response to fascism. As the socialist case for pacifism crumbled, letters to the co-operative press and reported debates at guild meetings showed that many guildswomen were closely following developments abroad, and were re-thinking their attitude to military intervention. Pacifism offered no means of distinguishing between aggressors and victims, and proposed only abstention as a strategy for preventing war. Such concerns found

20 G. Scott, *Feminism and the Politics of Working Women* (London: UCL Press, 1998), chapter seven.
21 *Co-operative News*, 4 February 1933, p. 14.
22 *Co-operative News*, 4 February 1933, p. 14.
23 *Co-operative News*, 1 July 1933, p. 12.

expression in repeated attempts to challenge and to modify Guild policy. Thus, in 1936, while Guild pacifists denounced the use of sanctions for implying a willingness to use force, and characterising the international situation as a "test of faith,"[24] one northern branch, Huddersfield Guild, sent to the Prime Minister, the Foreign Secretary, and the local Member of Parliament, their resolution condemning the government for agreeing to the withdrawal of sanctions against Italy as a betrayal of Abyssinia and an undermining of the League of Nations;[25] while a London guild branch called for arms to the Spanish Republic, criticising the government policy of non-intervention as "a definite assistance to fascist victory."[26]

The cleavage within the Guild between political engagement and ethical commitment sharpened in 1937, when the wider co-operative movement, in line with its labour counterparts, radically revised its own peace policy. In April 1937, the Co-operative Party conference voted in support of the Spanish Republic's right to be supplied with arms, and for "a policy of collective security" to enable the League of Nations to act effectively against aggressor nations.[27] A few weeks later, the Co-operative Union Congress also endorsed this collective security position.[28]

Many guildswomen were clearly in agreement with this shift. In 1937, Ellen Jarman, from Manchester, claimed that an individual ballot of the membership would reveal majority support for "a peace policy on co-operative lines" that did not, as she put it, ordain passivity in the face of "cruel aggression." "I have searched my soul these last few years," she wrote, "and I know that I am not an absolute pacifist."[29] In 1938, Mrs Nancarrow, a guildswoman from Newcastle, declared that in circumstances such as those in China or Spain, "it would be impossible for me to remain passive." What was the value of pacifism, she asked, if co-operation was wiped out? "The indi-

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24 *Co-operative News*, 1 August 1936, p. 12.
25 *Co-operative News*, 11 July 1936, p. 13; 18 July 1936, p. 12; 25 July 1936, p. 17.
26 *Co-operative News*, 26 Sept. 1936, p. 12.
27 *Co-operative News*, 3 April 1937, pp. 3-4.
28 *Co-operative Congress Report*, 1937, p. 124.
29 *Co-operative News*, 20 Sept. 1937, p. 12.

vidual member may derive satisfaction through maintaining such an attitude, but she has not benefited the movement."[30]

The dominant bloc of Guild pacifists, however, remained implacably opposed to the calls for rearmament and collective security. Avoiding serious political debate, they relied instead on authoritarian reiteration and on emotional appeals for loyalty to what they invoked as Guild traditions. In Manchester in November 1937, in a talk entitled "Thoughts on Peace," a senior guildswoman, Mrs Winn, insisted that the "absolute pacifist policy must be upheld." The ensuing discussion revealed "divisions of opinion" among those present, with questions on how to implement the League of Nations policy and the course of action to be taken if, as in Spain, it was necessary "to choose between democracy and fascism."[31] Mrs Winn underscored the pacifists' reliance on faith rather than on reason. The Guild, she said "would hold to its policy of non-violence if Spanish conditions arose here." They should "uphold the ruling of congress" and "loyally accept its decisions." [32]

In this vein, in 1938, the new WCG General Secretary, Rose Simpson (Barton's niece), referred to the peace debate at the forthcoming annual congress as "a test of the Guild's pacifist faith," and declared that the leadership would stand by "absolute pacifism."[33] In preparation for the debate at congress, several anti-pacifist resolutions from different branches were merged into one amendment that would be pitched against the central committee's endorsement of absolute pacifism. This amendment proposed, "in view of the acute international situation," "the suspension of the pacifist policy and the adoption of the Co-operative Party's policy of collective security."[34] In the event, the pacifists won by a vote of 897 to 623, and, despite the deep divisions thus registered, continued to claim that the Guild stood for "absolute pacifism."

Those Guild women who opposed the pacifist policy had to wait another year for the next opportunity to dislodge the pacifists' monopoly over what the WCG stood for. In June 1939, the focus for

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30 *Woman's Outlook*, XIX/490, 30 July 1938, p. 407.
31 *Co-operative News*, 20 November 1937, p. 12.
32 *Co-operative News*, 20 November 1937, p. 12.
33 *Co-operative News*, 4 June 1938, p. 2.
34 *Co-operative News*, 25 June 1938, p. 8.

the congress peace debate was a left-wing resolution calling on the government to put in place better arrangements for air-raid precautions (ARP), to "protect the people" from the likely consequences of aerial bombardment. [35] Its supporters pointed to recent events in Spain to highlight the need for adequate evacuation arrangements and air-raid shelters for workers.[36] In response, the pacifists again refused to engage with the substance of the issue and simply re-stated the importance of holding to pacifist principles in refusing to prepare for war. Once again the power of the platform to determine procedure was used to secure the official position. The ARP debate was interrupted, first by lunch and then by a visiting speaker, and all the speeches against were "reserved until last."[37] Even so, the vote was so close that one journalist mistakenly reported that the resolution had been carried.[38]

By 1939, as had been predicted in 1933, the commitment to absolute pacifism was seriously constraining the Guild's scope for intervention. The official position remained complete abstention from any preparation for war on the grounds that such involvement would imply an acceptance of the inevitability of war. In practical terms, this meant that the WCG officially vacated the arena of debate and of planning activity around civil defence and social work. In the winter of 1938/39, at meetings with the Minister of Health and the Home Secretary, senior Guild officials were formally invited to participate in contingency planning for the evacuation of children and mothers, and for the establishment of what became the Women's Voluntary Service (WVS), responsible for the provision of rest centres and other forms of social provision in wartime.[39] It was envisaged by the government that a range of women's organizations would be involved in selecting representatives to work with the local authorities to draw up schemes for each area. In the past, the WCG

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35 J.B.S. Haldane, *ARP* (London: Gollancz, 1938), p. 10; *Co-operative News*, 1 July 1939, p. 12.
36 *Co-operative News*, 17 June 1939, p. 8.
37 *Co-operative News*, 1 July 1939, p. 12.
38 *Co-operative News*, 15 July 1939, p. 12.
39 *Co-operative News*, 10 December 1938, p. 1. For a detailed account of the WVS see J. Hinton, *Women, Social Leadership, and the Second World War: Continuities of Class* (Oxford: Oxford University Press, 2002).

had been alert to the need to ensure that the working-class women it represented played a role in such developments but now the Guild central committee was determined that the pacifist policy "would not allow us to take part."[40]

The 1939 Annual Report stated explicitly that the WCG would have no official involvement in any war-related activity. It warned that any guildswomen who did choose to "serve on regional committees and National Service committees and ARP work," would do so "as individuals and not as representatives of the Women's Guild."[41] When war broke out, the Guild leadership reiterated their ruling that the involvement of any Guild women in the war effort or in relief work "should be a voluntary decision for individual members."[42] They would have no official recognition.

Inevitably, this abdication from active citizenship at this key moment damaged both the Guild's national standing and its ability to hold on to members. By the summer of 1940, Britain was in the grip of a national mobilisation that emphasised the defence not so much of the Empire as of liberal-democratic values and the promise of egalitarian social reconstruction. Women of all ages were required for war work, and were subject to immense pressures to make whatever contribution they could. The main pattern of voluntary activity was fixed very rapidly, and those Guild women who did attempt to find work that did not contravene pacifist principles were soon frustrated. As one experienced member, Councillor Mrs G. E. Lloyd, complained in 1942, "one had to join the WVS to take part in humanitarian work in rest centres, canteens, communal kitchens." The WCG simply "was not recognised by local authorities." Their members were told that they "must work through the WVS." The instructions from the national leadership when war broke had been "not to take office in organizations unless the work keyed in with Guild policy, and now guildswomen found themselves shut out."[43]

In these circumstances, many guildswomen voted with their feet. In the first two years of the war, 44% of the membership - 38,000

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40 WCG, *Annual Report*, 1938-9, pp. 2-3.
41 WCG, *Annual Report*, 1938-39, p. 3.
42 CC Minutes, 28 and 29 November 1938; *Co-operative News*, 10 Dec. 1939, p. 1.
43 *Co-operative News*, 31 Jan. 1942, p. 13.

women - left; of the remainder, it was estimated that 90% were "furtively or openly engaged in some sort of war work."[44] Still the leadership clung to pacifism as Guild policy. In 1942, the WCG General Secretary, Cecily Cook, spoke of members failing the "test of faith." If any had left because of the peace policy, she commented acidly, then it "is well that the organization should have purged itself of dead wood."[45] For a leader to speak of members with such contempt is, of course, indicative of organizational malaise, and contrasts strikingly with the older Guild traditions of tolerance and inclusion.

Still at stake was this fundamental question of identity. While officials like Cook claimed that the WCG was a pacifist organization, many members continued to insist on its co-operative nature. As one long-standing member argued in 1943, the Guild's "formation, its original rules, objectives, and the financial and other support given by the co-operative societies which are its basis, assume that the Guild is for the purpose of "educating the co-operative woman in the principles and practice of co-operation and in expressing the same through citizenship. The pacifist and her views should be welcome but we ask not to be compelled to march under her banner."[46]

The attempt to convert the WCG into a pacifist organization went against the grain of the Guild's commitments to co-operative models of democracy and inclusiveness that had sustained its early progress. National policy had then been rooted in the experience of its members, but there was also respect for political heterogeneity and the right of local branches to reach their own decisions that made it possible for policy to be arrived at rather than imposed. In contrast, by the 1930s, Guild leaders had become adept at managing democracy to serve their own ends. As Cecily Cook's remarks demonstrate, this resulted in an attitude of contempt for the women who did not share her pacifist ideals. The capture of the Guild for the cause of pacifism thus reflected a widening gap between the dominant clique and the concerns of ordinary members, a growing intolerance of dissent, and ultimately a retreat from social and political engagement. Whereas, the Guild had once attracted women for the linked pursuits of Co-

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44 *Co-operative News*, 31 Jan. 1942, p. 12.
45 *Co-operative News*, 14 Feb. 1942, p. 18.
46 *Co-operative News*, 15 May 1943, p. 13.

operation and Citizenship, it now prioritised the cause of pacifism over all else.

The rigid commitment to pacifism isolated the WCG and weakened its ability to attract and hold members. It also compromised its co-operative principles, undermining its democratic procedures, and blocked, among other things, a serious debate about fascism. Throughout the 1930s, the Guild leadership refused to engage in discussion about the nature of fascism and its likely consequences. Within the pacifist worldview, war against fascism was worse than fascism itself. Yet, for many guildswomen, fascism represented a worse threat to the co-operative project than the war to defeat fascism. Those who followed developments in Spain and Germany understood that one of the first acts of fascist regimes was to destroy co-operation and kindred labour organizations. Accordingly, they were among those who, while opposing militarism in principle, came to the view that they could not, as Ellen Jarman put it, ordain passivity in the face of such cruel aggression. Here, as in other arenas, moral conviction without political analysis was not only self-deluding but also self-destructive.

ALAN BURTON

Advancing Democracy: Films for Peace, Freedom, & Democracy in Britain in the 1930s

Considering the sequence of wars and revolutions, political intrigue, and labour discontent that constitute human history, it would seem that hatred is the really great motive power of world events, and that peace is little more than war carried on by political and economic means. [1]

Whether war comes is determined by the struggle between the forces making for peace and the forces making for war.[2]

I n 1929, the London Workers' Film Society was founded for the purpose of "facilitating the exhibition and production of films of value to the working class."[3] The idea quickly spread and a

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1 Donald Clark Hodges, "Normal Sadism and Immoralism," *Psychoanalysis and the Psychoanalytic Review*, 48:2 (Summer 1961) p. 33.

2 J.R. Campbell, *Questions and Answers on Communism*, quoted in Noreen Branson, "Myths from Right and Left" in Jim Fyrth, (ed.), *Britain, Fascism, and the Popular Front* (London: Lawrence and Wishart, 1985) p. 129.

3 Quoted in Ralph Bond, "Cinema in the Thirties: Documentary Film and the Labour Movement" in J. Clark, M. Heinemann, D. Margolies and C. Snee, (eds.)*, Culture and Crisis in Britain in the Thirties* (London: Lawrence and Wishart, 1979) p. 247.

Federation of Workers' Film Societies organised the distribution and exhibition of progressive films around the country. Throughout the 1930s, widespread use was made of film for political purposes by groups on the "Left" to promote awareness about issues like poverty and unemployment, and to raise interest in the great causes that animated radicals and progressives of the decade, such as Spain and anti-fascism.[4] This article will briefly examine the issues of peace and anti-fascism as they appeared in a handful of films produced by the workers' film movement in the mid-1930s. In particular, it will attend to *Peace Parade* (1937) and *Advance Democracy* (1938), films produced within the co-operative movement, and reflective of a general shift from a broadly conceived moral pacifism, characteristic of the early part of the decade, to one of active resistance of fascism.

For one activist of the period, "the dominant political controversies of the day concerned unemployment and the threat of fascism and war. In the early years of the decade a solution to the problem of unemployment was seen as the most urgent task; in the later years the war danger overshadowed all other causes."[5] The rise to power in Germany of Hitler and the Nazis in 1933 shifted energies towards the saving of peace and averting war. As is well known, the early years of the decade were marked by a prominent pacifist tendency, wherein:

> [A] united peace movement of communists, socialists, pacifists, and supporters of the League of Nations was slowly built up through the National Congress Against War in March 1933, the Peace Ballot of 1934, the campaign against private manufacture and export of arms in 1934-35, and the demand for League of Nations sanctions to prevent the Italian invasion of Abyssinia in 1935.[6]

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4 The broad sweep of Left political cinema activity is detailed in Don Macpherson, (ed.), *British Cinema: Traditions of Independence* (London: BFI Publishing, 1980); Bert Hogenkamp, *Deadly Parallels: Film and the Left in Britain 1929-39* (London: Lawrence and Wishart, 1986); Stephen G. Jones, *The British Labour Movement and Film, 1918-1939* (London: RKP, 1987).

5 Philip Bagwell, "The Left in the Thirties" in David Rubinstein (ed.), *People for the People: Radical Ideas and Personalities in British History* (London: Ithaca Press, 1973) p. 224.

6 Jim Fyrth, "Introduction: In the Thirties" in Jim Fyrth (ed.), *Britain, Fascism and the Popular Front* (London: Lawrence and Wishart, 1985) p.12. Pacifism and the peace movement in Britain in the period are addressed in Martin Ceadel, "The First British Referendum: The Peace Ballot, 1934-5," *The English Historical Review*, 95:377 (October 1980) pp. 810-839;

It is, therefore, unsurprising that the issue of peace was presented in a number of workers' films of the period. In 1936, Paul Rotha, a radical member of the documentary film movement and advocate of the use of film propaganda by the Labour Movement, produced the three-minute *Peace Film*. This production, through editing images of modern war and its destruction, made the simple request of viewers to demonstrate their concern by writing to their MP. Unsurprisingly, the film had difficulties with the censors who found it "controversial."[7] Another significant anti-war film appeared in 1936, this was Norman McLaren and Helen Biggar's *Hell Unltd*. The two artists were students at the Glasgow School of Art, and this ambitious and important film combined a variety of cinematic techniques such as documentary, fiction, and animation. The central character is an arms dealer, Mr Hell, and the film exposes "the double dealing of the armaments business (selling weapons both to Hitler's Germany and to Great Britain) and the destruction wrought by weaponry."[8] The film ends with the call "Stop It." While viewers are once again called upon to write to their MP, the likely ineffectiveness of this is recognised, and they are further impressed to demonstrate and ultimately to strike. The filmmakers were put under pressure by the left wing distributors, Kino, to drop the last suggestion of direct political action, but McLaren and Biggar successfully resisted this and the film was shown widely. These two films appeared in 1936, and reflected a new impetus to the peace movement in the early part of that year, when Peace Councils had been formed in many parts of the country, while in June a national peace conference was held at Leeds, and in September an international peace event was staged at Brussels.[9]

The following year there appeared *Peace Parade,* produced by FHW Cox for the political committee of the London Co-operative Society (LCS). This featured a demonstration for peace (an action

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and Michael Pugh, "Pacifism and Politics in Britain, 1931-1935," *The Historical Journal*, 23: 3 (September 1980) pp. 641-656.

7 Jeffrey Richards, *The Age of the Dream Palace: Cinema and Society in Britain 1930-1939* (London: Routledge and Kegan Paul, 1984) p. 104. Prof. Richards reports that the *Peace Film* was banned, but it appears (uncharacteristically) to have played successfully in commercial cinemas, see Hogenkamp, *Deadly Parallels*, p. 180.

8 Bert Hogenkamp, "Making Films with a Purpose: Film-making and the Working Class" in J. Clarke et al, *Culture and Crisis in Britain in the Thirties*, p. 267.

9 Fyrth, "Introduction," p. 18.

recommended in the earlier *Hell Unltd*) organised by the committee on September 19, 1937. Typical of the cinema of the workers' film movement of the 1930s, it relied heavily on simple film records of rallies and parades. Cox was developing an innovative approach to political film at LCS, pioneering production on the cheaper, sub-standard 16mm format, with direct sound recording, and this was the first film in a planned programme.[10]

Peace Parade commences with some shots of a war monument, and passes onto scenes of helpers dressing London Co-operative Society vehicles in preparation for the demonstration.[11] A narrator intones against war:

> *Never again must such madness spread like a plague throughout the world. And this is how our earnest desire can be obtained: by united effort, by the swelling sound of the voice of the people, by practical demonstrative action, and by co-operation.*

The vehicles are emblazoned with slogans like "Peace is Victory," "International Co-operation Means World Peace," and "Peace and Co-operation Among All Nations," and elaborate tableaux are mounted, such as that of the Cann Hall Women's Co-operative Guild (WCG), with its seated female figures dressed in white and the declaration that "Our Sons Shall Not Be Cannon Fodder. Unite for Peace. Peace through Co-operation." The extensive use made of the goods wagons in the parade is indicative of the wider society's commitment to the issue of peace, a common practice in the period between the wars when the resources of the trading side of the movement were marshalled in support of the ideological aims of co-operation.[12]

The march sets off in a light drizzle and the viewer is informed of the extent of the support for peace – the parade is 1½ miles long – while the camera picks out the banners and tableaux introduced in the opening scenes. We are made aware of the identity of some of the demonstrators, such as the group of women marching with the

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10 For an examination of this work see: Alan Burton, *The People's Cinema: Film and the Co-operative Movement* (London: National Film Theatre, 1994) pp. 52-63.

11 The film is included on the video compilation *The People's Cinema. Vol. 2: The Films of the Co-operative Movement*, available from the Co-operative College in the United Kingdom.

12 This is evident in such films of parades and demonstrations as: *Colchester Co-operative Society Jubilee Parade* (1921), *Lochgelly Equitable Co-operative Society's Shopping Week* (1927), and *Co-op Day at Gray's Co-operative Society* (c.1937).

banner of the Walthamstow Women's Co-operative Guild. Women make up a large proportion of the participants. It is evident that the WCG were strongly represented on the day which was notable given the Guild's commitment to pacifism at the time.[13] Another group march behind the banner of the Woolwich and District Peace Council, indicating that the parade was not limited to co-operators, but open to all who wished to demonstrate for peace. As the parade passes in front of Parliament, the narrator commences the final passage wherein it is revealed how peace is to be achieved:

> *Every man and every woman must be conscious of the power placed in his or her hands by the possession of a vote. The young people, who are approaching the age of discretion when they'll receive the benefits of the vote, <u>must</u> be made politically conscious. That's where our duty lies, to make clear to them the causes of war and how to work in the future for <u>all</u> organizations which have the cause of peace at heart.*

The ideal is once again one of inclusiveness and the appeal to democratic procedure matches the messages of the earlier *Peace Film* and *Hell Unltd.*

The film concludes with a large meeting at Hyde Park Corner, where the crowd is addressed by functionaries of the LCS, such as Alfred Barnes, MP, and Reginald Gosling, the president of the Society. The audience-viewer is informed that capitalism and its attendant competitive system are responsible for war and that "the antidote to capitalism is co-operation."[14] People must act and support the one party with a coherent policy for peace – the Co-operative Party. The

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13 Gill Scott, "Darkness at the End of the Tunnel: Pacifism, Democracy, and the Women's Co-operative Guild in England in the 1930s," in this volume. For a broader consideration of women's responses to war and fascism in the period see, Sue Bruley, "Women Against War and Fascism: Communism, Feminism, and the People's Front" in Fyrth (ed.), *Britain, Fascism, and the Popular Front*, pp. 131-156. In 1934, British Movietone, which specialised in newsreels, produced the short *Peace or War* in which four well-known women – the Countess of Oxford, Dr Maud Royden, Storm Jameson, and Madeleine Carroll – appeal to women to use their power to prevent war. See, Rachel Low, *Films of Comment and Persuasion of the 1930s* (London: Allen and Unwin, 1979) p. 176.

14 Bert Hogenkamp has commented on an item that appeared in the *Workers' Newsreel* (1934), which juxtaposed in a Russian montage style "images of capitalist destruction (bombing practice at Hendon aerodrome) with images of the peaceful intentions and constructive work done by the workers." See, *Making Films with a Purpose*, p. 260.

Party's programme is then explained as one based on collective security to be achieved through the League of Nations:

> *The Covenant of the League is founded on ideals of co-operation and can only work when those ideals are the politics of the member nations. So let us co-operate for peace and support the Party, which has a plan for peace based on international co-operation.*[15]

This position conforms broadly to what the labour movement stood for, as Noreen Branson has explained it, this was not appeasement of the fascist powers, "but collective action against the aggressors under the auspices of the League of Nations … the pacifist influence was never the dominant one within the labour movement, which stood for collective security."[16]

As a consequence of the emergence of National Socialism in Germany there appeared the first tentative steps towards unity on the Left against the common enemy. In *Peace Parade* this unity went no further than a shared concern for an ideal of peace, and the threat of fascism was left unstated. For the various national communist parties, "the decisive turning point was the Seventh World Congress of the Comintern in 1935 which adopted the strategy of the united front of working class parties and the popular front of these parties with all who would combine against fascism and war."[17] As the horrific nature of Nazism began to impress itself beyond the narrow confines of the informed Left, a broad constituency of labour, liberal, and progressive-minded individuals and groups were drawn behind the banner of the popular front. A particular stimulus was the Spanish Civil War, which has been seen as "the crucial episode in the conversion of the labour movement from the pacifism of the 1920s and early 1930s to support for rearmament against the growing danger of

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15 The International Co-operative Alliance maintained good relations with the League of Nations in the 1920s and 1930s. See, Rita Rhodes, "The International Co-operative Alliance During War and Peace 1910 – 1950" in this volume.

16 Noreen Branson, "Myths from Right and Left" in Fyrth, p. 115. Some commercial independent productions supported the ideals of the League of Nations, and in the 1920s Hans Nieter founded Freenat to make films for the League of Nations Union. This company distributed Rotha's *Peace Film*. See, Rachel Low, *Films of Comment and Persuasion*, pp. 180-182.

17 Fyrth, "Introduction," p. 11.

fascism."[18] While this could mean different attitudes to the issue of intervention in the conflict – the Labour Party, for example, shifted from the influence of George Lansbury's "politico-religious pacifism" to an active belief in rearmament encouraged by Ernest Bevin and others – it did tend to diminish support for the ideal of a moral pacifism.[19] While the call was still for peace, it was couched within the notion of *active* resistance of aggressors. It is significant that in *Peace Parade*, although the demonstration and film occurred during the height of the conflict on the peninsula, there is no mention of the war in Spain. It therefore aligns itself more to the prior tradition of "idealist" responses to peace, which was in the process of being superseded by a "realist" perception of the issues prompted by the rising international emergency.[20]

Left political activists in Britain were quick to bring film propaganda to the aid of the struggle. Productions like *Crime against Madrid* (1937), *Help Spain* (1938), and *Spanish ABC* (1938) were exhibited widely, bringing much attention to the conflict, and drawing many into the various campaigns of food and medical aid, the relief of refugees, care and reception of Basque children, and opposition to the government's policy of non-intervention. Jim Fyrth has called these efforts "the biggest movement of international solidarity in British history."[21] Some of these films demonstrated the participation of intellectuals in the popular front's cultural work, being shot in Spain and put together by professionals from the British film industry.[22] An important venue for the exhibition of the films shot in Spain and

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18 Tom Buchanan, "Britain's Popular Front? Aid Spain and the British Labour Movement," *History Workshop Journal,* 31 (Spring 1991) p. 61.

19 The description of George Lansbury comes from Michael Pugh, "Pacifism and Politics in Britain, 1931-1935," p. 641. The Labour Party continued to condemn the CPGB and hence the popular front.

20 I derive the terms from Cecelia Lynch, *Beyond Appeasement: Interpreting Interwar Peace Movements in World Politics* (Ithaca, New York: Cornell University Press, 1999).

21 Fyrth, "Introduction," p. 19. For a wider discussion of the Aid Spain Movement see, Jim Fyrth, "The Aid Spain Movement in Britain, 1936-39," *History Workshop*, 35 (Spring 1993) and Buchanan, "Britain's Popular Front?" On the divisive matter of non-intervention see, S.P. MacKenzie, "The Foreign Enlistment Act and the Spanish Civil War, 1936-1939," *Twentieth Century British History*, 10:1, (1999) pp. 52-66.

22 Such well-known filmmakers as Sidney Cole and Thorold Dickinson contributed to the Spanish films, see Sidney Cole, "Shooting in Spain," *The Ciné-Technician*, No. 4, (1938) pp. 1-2 and Thorold Dickinson, "Experiences in the Spanish Civil War," *Historical Journal of Film, Radio, and Television*, No. 4, (1984) pp. 189-193.

other radical productions was the meetings of the Left Book Club, an archetypal popular front organization formed "to help in the terribly urgent struggle for World Peace and against Fascism by giving all who are determined to play their part in this struggle such knowledge as will immeasurably increase their efficiency."[23]

The workers' film movement developed a significant radical film practice in the 1930s, centred on such groups as Kino, the Progressive Film Institute, and the Workers' Film and Photo League. These organizations were largely under the influence of the Communist Party of Great Britain (CPGB) and consequently, in 1938, a new cinema organization, the Workers' Film Association (WFA), was formed to serve the "democratic" labour movement, comprising the co-operative societies, the Labour Party, and the Trades Union Congress. The co-operators had a long tradition of film propaganda, going back to the nineteenth century, and took a dominant role in the WFA.[24] In 1937, the four big London societies launched a "Five Year Plan of Film Production," which proposed that "five documentary social films on co-operation be produced one per year at a cost of one thousand pounds each."[25] The full-time secretary-organiser at the WFA, Joe Reeves, arranged for the Association to distribute the films, and used his influence to ensure the resultant films were acceptable to the wider labour movement.[26] The production budgets were comparatively large, and meant a more ambitious approach was possible than the films of demonstrations and rallies typical of the workers' film movement up to that time.

The first film in the series was *Advance Democracy*, which appeared in October 1938. It was an ambitious 16-minute film, produced professionally by Basil Wright's Realist Film Unit, one of the leading independent documentary production companies, and directed by Ralph Bond, a leading figure in the workers' film movement.[27] The

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23 Quoted in Bagwell, *The Left in the Thirties*, p. 231.

24 Alan Burton, *The British Consumer Co-operative Movement and Film, 1890s-1960s* (Manchester: Manchester University Press, 2005). The details regarding the formation and achievements of the WFA are presented between pages 147-191.

25 *The Co-operative News*, 27 (November, 1937).

26 Reeves had pioneered film work at the Royal Arsenal Co-operative Society before joining the WFA. For an assessment of this able propagandist see Burton, 1994, pp. 40-51.

27 A sympathetic review of *Advance Democracy* appears in *World Film News*, (October 1938) p. 268, a journal close to the documentary film movement. For Bond's recollections and

film distinctively utilises several filmic modes: documentary footage of the workers of London, dramatised scenes at the home of a working class husband and wife, historical reconstructions, and a film record of the 1938 May Day parade. *Advance Democracy* charts the political awakening of a London docker, Bert, during the "popular front" period and his call to his workmates to join in the May Day march "For Peace, Freedom, and Democracy." Gently encouraged by his wife, Bert becomes politicised through listening to a radio broadcast on "Democracy and the Co-operative Movement" by the co-operative parliamentarian A.V. Alexander. The film ends with Bert leading his comrades in the parade, a stirring sequence set to worker's songs arranged by Benjamin Britten.

Advance Democracy commences with a classic trope of Labour propaganda, posing a "deadly parallel" between wealth and poverty: the juxtaposition, of a well-heeled lady ordering luxuries from Fortnum and Mason's with workers being served modest meals in a market café.[28] The scene then cuts to the principal characters in the film who are introduced by the narrator as Bert, a craneman at the London Docks, and his wife May, briefly seen cleaning at home. The sequence ends with Bert and two colleagues mulling over the troubled times and his pedestrian journey home during which he further contemplates some newspaper headlines reflecting on the unstable international situation and the threat of war.

The middle section is distinctive for workers' cinema of the period, as it presents an extended dramatic sequence of Bert and May at home having a discussion over dinner. The producers cast Fred Baker and Kathleen Gibbons to the roles as they had acting experience with Unity Theatre, the socialist drama collective, and could bring some credibility to the dialogue exchanges. Left critics had consistently pilloried British cinema for its inability to take working people seriously or to produce drama that had even the remotest relation to real life, and clear efforts were made here to give some authenticity to the scenes. Bert predictably displays the typical chauvinistic attitudes of the 1930s male manual worker. However, the gender stereotypes and certainties are unsettled by the unexpected political maturity of the

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observations on the workers' film movement, see Bond, "Cinema in the Thirties."
28 Hogenkamp, *Deadly Parallels*, pp. 16-17.

wife, who gently enlightens her husband as to his class responsibilities. Initially, he mocks her pretensions derived through membership in the Women's Co-operative Guild, but she convinces him to listen to a radio broadcast about the Co-op. The film cuts to a brief 5-shot sequence of the docks at night and a group of three men chalking "All Out on May Day" on the pavement, an important preparation for the latter section of the film and Bert's radicalisation.

The third section of the film crosscuts between Bert seated in front of his radio set, Alexander in a broadcast studio, and historical dramatisations of the subjects of the address. An initially disinterested listener (he idly reads his newspaper), Bert is drawn into the talk as it introduces the struggles for political rights demanded by the Chartists in the mid-19th century, and he is especially affected by the account of the oppression of the Tolpuddle Martyrs in 1834. The identification of the modern dockworker with these early trade unionists is achieved through casting the same actor as *both* Bert and the Martyr we see harshly dealt with in court in a historical reconstruction. The broadcast emphasises this relevance of past on present when it declares, "The sacrifice of these men made possible the great trade union movement of modern times." An identical shift from past into present occurs in the treatment of the co-operative movement. "The distressed weavers of the northwest have recourse only to their own industrial salvation, and we have represented the inaugural meeting of the Rochdale Equitable Pioneers Society in 1844." Bert sits in rapt attention as he learns of how simple men and women created a great movement of retailing, wholesaling, manufacturing, and finance, played over shots of the original store in Toad Lane, Rochdale, through to modern images of the movement's great undertakings. The purpose of the broadcast (and the film) is revealed at the end of the address. Former struggles are seen to continue into the present and the working-class and its supporters are exhorted to defend hard won achievements and confront the new menace of international fascism. Footage of the Nazi leaders and their henchmen, and graphic shots of terrorised civilians in Spain, run over the concluding commentary of Alexander, making for an exemplary "popular front" text:

> *The co-operative movement remains true to the democratic prin-*
> *ciples of the Rochdale Pioneers, but today those principles are in*
> *danger. Democracy everywhere is threatened … if democracy is*
> *to survive the democrats must assert themselves. If the war policy*
> *of the aggressors is to be defeated, all friends of peace and freedom*
> *must unite. The co-operative movement will play its part in the*
> *defence of Peace, Freedom, and Democracy. WILL YOU?*

Bert's radicalisation and adoption of the cause is revealed through his adoption of the collective "we" when discussing the struggle with May. The limited experiment to use history in *Advance Democracy* was developed and extended in Labour films of the coming years, such as *Men of Rochdale* (1944) and *Song of the People* (1945).[29]

The final section of the film is a stirring treatment of the 1938 May Day parade in London. It is no simple record of the event, but an exciting cinematic construction, varying shot-scale, angles, and camera mobility, and fluidly cut to a workers' chorus singing Labour anthems such as *The Red Flag* and *The Internationale*. Benjamin Britten orchestrated the choral work, having previously contributed to the GPO documentaries *Coal Face* (1935) and *Night Mail* (1936), typical instances of progressive cultural practice in the inter-war period. Summarising the work of the documentary film movement, Paul Swann has concluded that the film-makers were bound by the limits the sponsors imposed upon their work, and that generally the films "implicitly or explicitly supported the status quo. They highlighted only those things that were being done to improve and alleviate." He concedes, though, that *Advance Democracy* is a rare exception, and that the nature of its sponsor resulted in a film "that called for radical political change."[30]

As we have seen, Bert responds to the battle cry and marches on May Day to the watchwords of "Peace, Freedom, and Democracy." The Spanish Civil War was a prime focus and animating principle of the "popular front." The workers' pageants had striven to bring the struggle for liberty up to the present, and generally achieved this

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29 Individual details of the films of the co-operative movement can be found in Alan Burton, *The British Co-operative Movement Film Catalogue* (Trowbridge: Flicks Books, 1997).

30 Paul Swann, *The British Documentary Film Movement, 1926-1946* (Cambridge: Cambridge University Press, 1989) p. 115.

through reference to Spain. Thus, the culmination of the *Music and the People* spectacle, held in London in 1939, introduces into the arena veterans of the International Brigades who had fought in the peninsula "as the embodiment of an heroic inspiration. They represent the concrete struggle at its sharpest local resolution."[31] Thus, *Advance Democracy*'s invocation of fascism and Spain made manifest this "concrete struggle," and brought the inspirations of the past into the actuality of the present.[32]

One further labour film is of significance for this discussion. *Peace and Plenty* (1939) was produced for the CPGB as an election film; an election was due in 1940.[33] The thrust of the film was the struggle against the Chamberlain government, a central tenet of the popular front alliance being that the Conservatives were intent on a policy of appeasement and resolutely opposed to the notion of collective security; or from an extreme viewpoint, that "the more reactionary sections of monopoly capital are trying to … establish fascism in Britain. The chief task of the moment is to put an end to the policy of the Chamberlain clique."[34] Prominent members of the administration are pilloried in a series of "deadly parallels" and their support of the armaments manufacturers are made manifest. The film concludes with a speech by party leader Harry Pollitt, in which he outlines the need to combat unemployment with a work programme, and to con-

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31 Wallis, Mick, "Pageantry and the Popular Front: Ideological Production in the Thirties," *New Theatre Quarterly* X, 38 (1994) p. 152. For further details on labour pageants, which had some influence on workers' cinema, see also, Wallis, Mick, "The Popular Front Pageant: Its Emergence and Decline," *New Theatre Quarterly* XI, 41 (1995) pp. 17-32. Twenty-five hundred British volunteers went to Spain to fight for the legitimate Republican government.

32 *Advance Democracy* attacks the two fundamental characteristics of fascism identified at the Congress of the Comintern in 1935: that the fascists will smash democratic gains achieved by the workers through struggle—this was the basis of Bert's dockside speech to bring his colleagues out on May Day—and that the fascist powers are intent on war.

33 The title derives from the slogan of the CPGB's XVth Congress. Background on the production and exhibition of the film can be found in Hogenkamp, *Deadly Parallels*, pp. 199-203. See also Low, *Films of Comment and Persuasion*, pp. 195-196, where she declares this the best left-wing film of the period.

34 *For Peace and Plenty: Report of the XVth Congress of the CPGB*, quoted in Branson, p. 128. Unity Theatre's Christmas pantomime in the year of Munich was *Babes in the Wood*, with Neville Chamberlain depicted as the wicked uncle.

front the aggressors with an international anti-fascist alliance.[35] Such a film was in contest with the extensive and efficient film propaganda of the Conservative and Unionist Film Association (CUFA), which solidly backed Chamberlain's National Government.[36]

In 1936, the CPGB published a pamphlet by Rickword in its Peace Library series entitled *War and Culture: the Decline of Culture under Capitalism*. It offered a passionate rejection of the militarisation and barbarism of culture by the Nazis and British imperialists, and called on the people to use "*our* theatre, *our* films, *our* poems, and novels against the infectious influence of the warmakers."[37] To a considerable extent intellectuals and artists took up the challenge, and films like *Peace Parade* and *Advance Democracy* demonstrate the efforts of Left political filmmakers to avert war through resisting the warmongers. Few activists in the movement would have accepted the cynical and debilitating view of Donald Clark Hodges that heads this article; rather they accepted J. R. Campbell's contrasting notion that peace could be, and had to be, won through a struggle with the forces making for war. Initially, this was seen to be served in the ideal of collective security but eventually this was replaced by the acceptance of the need for a more active confrontation with the fascist aggressors, a realisation that led many to fight as volunteers in Spain. The shift in outlook is evident across the two workers films principally examined here.

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35 Of course, this latter ideal was undermined by the surprise revelation of the Nazi-Soviet Non-Aggression Pact in August 1939, which made the film unusable if an election had taken place in 1940.

36 On the CUFA see, Timothy Hollins, "The Conservative Party and Film Propaganda Between the Wars," *English Historical Review* (April 1981).

37 Quoted in Heinemann, "The People's Front and the Intellectuals," p. 168.

GENDER,
CO-OPS,
& PEACE

SAMADANIE KIRIWANDENIYA

Gender Emancipation & Peace-Building through Co-operatives: Going Beyond the Myths

Gender emancipation, peace-building, and co-operatives: three concepts that can theoretically yield three different papers. This is what comes to mind when I considered a title for this paper. Life and social intercourse are never that simple, fortunately or unfortunately, but let me briefly define these notions as they pertain to the larger purpose of this paper.

What is gender emancipation? All theories associated with gender emancipation finally invite us to look beyond sexual differences and see individuals as human beings with equal rights pertaining to education, health, sexuality, freedom of mobility, freedom of expression, and economic equality.

Peace building also insists on treating people with dignity. It is about respecting, and not manipulating, difference.

Co-operatives, in this sense, are ideally positioned as they are endowed with a structure that facilitates the resolution, and eventual elimination, of all other discriminations. This is the rosy picture, but life, as I mentioned, does not yield things easily, and resolution is also about hard work, constant re-assessment of strategies in terms of

their efficacy, and adaptation to situations that are both volatile and amenable to swift transformation, without compromising objectives and ethics.

This is why, despite the stated emancipatory potential, even in co-operatives we still have not been able to escape from the discriminatory structures and the "meaning making systems" that exist in larger society. Indeed, co-operatives often mirror these discriminations in their structures and processes.

Co-operatives do not operate in a social vacuum. They, in fact, function in societies that exhibit many forms of discrimination. Thus, if the mission is to bring about a society that is free of such discriminations, a necessary first step would be to recognize the existence of multiple forms of discrimination, both within and outside of co-operative structures.

Co-operation is about bringing people together to address collective and individual goals. Communities, on the other hand, are not homogeneous units. They are divided by many social differences and distinctions, as well as by personal predilection. Co-operatives are made up of people whose identities are invariably constructed by multiple realities. Being a member of a co-operative is only one of these identities. Healthy co-operation and co-operatives can be built only through recognition of this diversity, and by working together to find ways to maximize the positives and minimize the negative impacts of difference.

It is easy to claim that we are co-operatives and any member has the legal right to participate in our programmes, and that within the legal mandate there is nothing that stops a member, despite his or her class, race, ethnicity, or gender. However, it is important to analyze the "meaning-making structures" and the "discourses of difference" thoroughly, in order to really understand whether or not we have actually allowed the space that we, in principle, have committed for everybody. In order to do that, we need to go beyond utopia, and situate co-operatives in the socio, political, and economic contexts from which the membership is drawn, the norms they subscribe to, and the meanings they infer from terms such as "membership," "participation," and "leadership."

We have seen many instances where co-operatives have tried to diminish the gender gaps by trying to get more women into leadership and management positions. We have seen co-operatives going minimalist in their loan strategies - sometimes to target more women borrowers. We have seen instances where co-operatives have tried to improve women's public speaking skills and knowledge. But have we looked into the reasons why males continue to occupy these positions, and why very few women still express the full desire to take up such responsibilities? How often do we problematize the participation of men and ask ourselves why men are always willing to come forward? Is it because they are born with these skills, or is it because they manipulate and over-exploit someone else's gendered role?

I feel that as long as we do not look into that aspect, we will not be able to realize how much the co-operative processes (voluntary participation/full time involvement with social work, and out-of-domestic responsibilities) benefit from the exploitation of women's gendered roles as mothers and wives. Only by recognizing such realities can we start thinking about allowing space for women

When I first considered the theme co-operatives and peace, someone commented that there is a clear connection between peace and women. Peace movements are full of women, and if you have more women in co-operatives and more women decision makers, you will be able to bring peace through co-operatives. This was the argument put in a nutshell.

And yet this is too simple. Simply because there are more women in peace movements, we cannot put the responsibility of peace-building on women alone. Women, as we know, comprise only 50% of the population, and the other 50% still consist of the most dominant decision makers who, more often than not, decide what kind of society we have to live in.

How can we create co-operation and co-operatives in conflict situations? How can we preserve the true spirit of co-operation in a highly divided and highly politicized and militarized context? Unfortunately, the 21st century seems to present such a context world wide.

I believe that we would be fleeing from responsibility if we operate in conflict areas without really dealing with the basic aspects that

divide people when they step out from the co-operative structure. A lot of hard work, with little relation to the major political forces that determine the ups and downs of a local context, may be swept aside by a simple land mine, or a protracted war like the one we have in Sri Lanka. Conflict can create physical distance, unequal access to resources, and if one does not work proactively with the conflict and conflicting opinions, one will not be able to have any long lasting peace. Neither will we be able to have a sustainable and meaningful co-operative movement.

Chandra Mohanty, for example, argues that it is not colour, class, or sex which constructs the ground for our struggle. Rather, it is the way we think about them and the political links we choose to make among and between struggles that bring us together. Without contesting all forms of discrimination we cannot build the social order that we have committed ourselves to. Without looking into our own structures, our own prejudices, we will not be able to change other structures. Charity begins at home, it is often said. Discriminations, too, one must add.

LOTA Y. BERTULFO

Women, Co-ops, & Peace Work

The adoption of the Co-operative Principles, which were newly revised by a committee headed by Dr. Ian MacPherson and reviewed by members of the ICA during its 100th Annual General Assembly in 1995, brought great jubilation to us gender advocates in the co-op movement, and I mean not just the members and partners of the Asian Women in Co-operative Development Forum, of which I have been a part of since its inception, but also fellow gender advocates – women and men in the ICA and allies in the development community and in the women's movement. For the first time in the history of the co-op movement, the value of gender equality was integrated into the newly adopted co-op principles. The first principle of *Voluntary and Open Membership* now explicitly states: "Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept responsibilities of membership, without gender, social, racial, political, or religious discrimination." This principle supports our advocacy for women themselves to be members of co-operatives, and not mere representatives of their husbands in co-op meetings. Likewise, the

second principle of *Democratic Control*, is stated in a way that means elected representatives of the membership can be men or women, and that women have an equal role in the democratic control of co-operatives; even more specifically, that women have equal rights with men in decision-making in co-operatives.

The addition of the seventh principle of *Concern for the Community*, which states: "While focusing on member needs and wishes, co-operatives work for the sustainable development of their communities," was for us a real breakthrough because it supported our advocacy for co-operatives to provide services that address not just the financial needs of the members, but their social needs as well; needs such as childcare support, education for adult members and their children, as well as the young members of the co-op. For us, the 7th principle also means that leaders of the co-op movement exhort their members (and thus co-operatives) to be involved in issues that have an impact on the community as a whole; issues such as health, access to water, sustainable livelihoods, violence against women and girls – issues that concern women more than men given women's reproductive role, and where the impacts more adversely affect women than men.

Gender equality is defined as "equal enjoyment by women and men of socially-valued goods, opportunities, resources, and rewards."[1] It means not only equal access to resources; it also means equal enjoyment of benefits from these resources by men and women.

Gender equality is not an easy principle and value to advocate. At the beginning, our advocacy for gender equality and the empowerment of women within the co-operative movement was met with strong opposition from many quarters, not only from men, but from women too. But this was just one side of the difficulty. The other side was the limited capability on our part, at that time, to clarify and to specify what "co-operatives promoting and practicing gender equality" meant and what was possible given the nature of co-operatives, being both economic and social, and what was readily acceptable to financial co-ops, given their established practice of providing only financial services and providing these services only to members.

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1 The Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OCED).

Because of their condition of disadvantage vis-à-vis men, and due to their reproductive role, women's needs are financial, social, and political (access to power and decision-making). In many countries, then, women were not eligible for membership in co-ops as they were not considered heads of households. If they were, they had limited influence in the decision-making of their co-operatives. Pursuing gender equality in these instances requires that co-operatives go beyond their traditional role of providing financial services only, but rather that they must address issues of inequality in the community, specifically, in relation to access of resources and enjoyment of benefits and of decision-making. The 7th co-op principle supports our gender advocacy. For us, it means that promoting the value of gender equality is within the nature of co-operatives.

Allow me, then, to be confident in saying that we participated in the June 2006 conference to share ideas and experiences on the role of co-ops in the pursuit of peace by virtue, or on the basis, of the 7th co-op principle.

One need not be in conflict situations to be able to have a gender perspective on peace. In our gender advocacy work in co-operatives, we went about raising awareness in co-ops of the threat of violence that women and girls faced. We found out that domestic violence occurred in some co-op members' households – some female members were victims. Wife battering was a subject that was kept unspoken among co-op members until we tackled the issue in our gender sensitization sessions. Our gender advocacy heightened awareness within co-operatives about the reality of violence against women and girls, whereas, in the past the discussion was limited to co-op matters, which meant – financial matters only. Co-operatives are known for their action-oriented attitude; no sooner did those co-ops become aware of the issue of violence against women and girls, than they translated their awareness into action.

In some co-ops, women co-op members formed support groups for members who were in constant threat of domestic violence. Before the battering could start or get any worse, these support groups intervened, much to the chagrin and shock of the batterers. In a co-op I know in the Philippines, the female co-op manager protected a member-victim by letting her stay in the co-op training centre until

her husband promised not to hit her again. This story had a happy ending as intervention by the co-op manager and by the other co-op members stopped the domestic violence. In a credit union in Malaysia, male members were made to vow during the annual general assembly, in front of female members and their wives, to love their wives and not abuse them. In this same credit union, not being violent to one's spouse became a requirement for eligibility for members to run for office. This requirement was applicable to both male and female members. It is important to note that in the Philippine case, the intervention that resulted in the halt of violence came from the co-op members and manager acting in their individual capacities, although by providing the co-op training centre as a shelter for the member-victim, the co-op manager involved the co-op as an institution in the intervention. But this intervention involved neither a resolution from the membership, nor a policy from the board. The intervention did not affect the governance of the co-op. The Malaysian case, however, involved a change in the credit union's constitution as it added the requirement of not inflicting violence on the spouse as an eligibility criteria of elected officers. I would like to stress the difference in the approaches here that caused the intervention to occur. Such approaches are relevant in the pursuit of peace.

In the Philippine case, although no debate occurred within the co-op as to why the members and the manager intervened in what was normally considered a private matter, it was possible that a debate could have occurred. The debate would probably have centered on what was "appropriate" or "within its nature" for the co-op as an institution in relation to what are not directly co-op matters. Other than the argument of indifference to the starkly obvious conditions that members may be in because they are not within the business of co-operatives, objections from some quarters in the co-op, both from the membership and the elected leadership, might focus on the risks to the co-op business.

In the Malaysian case, the ground for accepting the change in co-op governance (the amendment in their Constitution) was made very fertile because of gender sensitization with leaders, staff, and the members, so that any further debate was feeble. Such debate, or

the lack of it, could happen when co-ops are encouraged to pursue peace.

Where are the women in the pursuit of peace? What do women do to prevent conflict? How are women involved in peace negotiations? What are women's approaches to restoring peace in cases where conflict occurs? How are women involved in maintaining peace?

In our gender advocacy, we asserted that gender role stereotyping is a gender issue in the sense that women, as well as men, are "boxed-in" to particular roles and images that limit their choices or full expression of themselves, affecting their effectiveness in society, and their happiness.

In conflict situations, some gender role stereotypes operate. These include:

- Men foment war; women promote peace.
- Men are the warriors; women, the victims.
- Men are the formal leaders; they, not women, best represent conflicting parties at the negotiation table.

However, the reality is that:

- Some men die for peace; some women foment conflict.
- Some women fight in the battlefield; men die alongside women and children in war.
- Women are not just victims; they are part of the solution.

Gender role stereotyping explains why women are excluded in formal peace negotiations. It is what helps to explain why male leaders who foment war are the ones brought to the negotiating table by third party facilitators. Women who promote peace – through their work with their women's organization or their NGOs or their co-operatives – are excluded from this process. Women who fought in the battlefield, alongside men, to bring peace are also excluded.

Such was the case for a group of Bangsamoro[2] women in Mindanao, Philippines. After the signing of the peace accord between the government of the Philippines and the Moro National Liberation Front (MNLF) in 1996, the MNLF combatants – men and women - started to join the mainstream of Philippine society. The MNLF male leaders were given key government positions in the running of the sub-region that was created in the peace accord, the Autono-

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2 Literally, the Moro Nation.

mous Region of Muslim Mindanao (ARMM), which is comprised of several provinces. Likewise, the spouses of the male leaders were given some positions in government, according to the positions of their husbands in the MNLF leadership. Left out were the widows, the single women, and the married women who fought in the battlefield alongside male combatants, but whose husbands were not as well-positioned as their fellow members. The women members of the MNLF, already marginalized in the MNLF leadership, were encouraged to set up a Women's Wing and were expected to perform a supporting role to the male leadership. The Vice-President of this Women's Wing realized that women members deserved better. In 1997, with other female former MNLF combatants, she organized women-only co-operatives in the ARMM. As more co-operatives were formed, she led in setting up the Federation of United Mindanawon Bangsamoro Muslim Women-Multi-Purpose Co-operatives (FUMBMW-MPC).

As of 2005, the Federation has grown into an alliance of 127 primary co-operatives in all provinces in the ARMM. It has 4,200 regular members and 13,569 associate members. The member-co-operatives of FUMBMW-MPC are found in 11 of the 19 poorest provinces of the Philippines, and in five of the six poorest provinces of Mindanao.

As the Federation contributes to the development of the ARMM and nearby provinces through its co-operatives, it also contributes to peace. The Federation's approaches to peace-building may be summarized as follows:

- *Addressing members' economic needs,* specifically, by building retail co-ops and credit co-ops; promoting entrepreneurship among the members, and supporting members' micro-enterprises by acting as a conduit for training in business development and management, livelihood skills training, marketing skills enhancement for business development service providers, and by acting as brokers for micro-finance services with limited savings capacity.

- *Addressing members' social and emotional needs* as co-operatives became the venue for fellowship among members where they have a sense of belonging. The Federation assists the mem-

110

bers' need to provide education for their children by setting up a scholarship fund to support members' children, who are selected on a competitive basis.

- *Leadership development* of members by providing leadership skills and confidence-building training to co-op members and promoting a different kind of leadership in co-operatives and in society; that is, one that is "transformative" – development-oriented, issue-focused, and gender-responsive.

- *Promoting awareness of social issues,* such as gender inequality and its various manifestations — violence against women and children, multiple burdens, inequitable access to resources and benefits, unequal participation in decision-making, the impact of conflict on women and children, etc.

- *Fostering appreciation of ethnic cultures* while at the same time, *fostering a sense of nationalism*, especially, among the young people. With CAPWIP,[3] the Federation implements a programme called *Building Transformative Communities,* which fosters a strong sense of citizenship among constituents and accountability from office-bearers, in both public and private institutions. The programme promotes transformative leadership in young people, helping them become community-responsive and accountable leaders.

- *Policy advocacy* by participating in advocacy groups in Mindanao as well as national advocacy groups such as the Mindanao Commission on Women.

The experience of the Federation shows us a few things about the reality of women's involvement in the peace process:

1. *Women are excluded in formal peace negotiations*, because they are not the formal leaders of the institutions or groups even though they are members.

2. *Women, although excluded, will find ways to promote peace and sustain it.* These ways are mostly through working at the local and community level, which have direct impact on the lives of all community members – men, women, and children.

3. *Women look at the bigger picture*, the whole, and their idea of peace is broader than the idea of simply laying down of arms.

3 Tthe Centre for Asia-Pacific Women in Politics (CAPWIP), Manila, Philippines.

For women, peace means the cessation of hostilities, building bridges, and creating a "culture of peace" in society.

4. *For women, peace means* food, clothing, shelter for their family, and education for their children.

There are other examples of co-operatives helping in post-conflict reconstruction and development.   Some of these are:

- The Credit Union Co-ordinating Body (CUCO) in Indonesia helped in setting up and/or rehabilitating credit unions in East Timor Leste.
- The World Council of Credit Unions (WOCCU) is in the fore-front of promoting co-operative principles and in the development of the credit union movement in Afghanistan.
- Some co-operatives belonging to the Visayas Co-operative Development Centre (VICTO) in the Philippines have assisted in setting up and strengthening co-ops formed by rebel returnees in the Visayas (New People's Army).
- The Mindanao Association of Savings Societies (MASS-SPECC) in Mindanao, Philippines has assisted in the development of co-operatives among former members of Muslim rebel groups in the region.

There are many other cases of co-operatives actively involved in working for peace. The challenge is to document their stories as a way to encourage more co-operatives in the work for peace. In co-operatives women play key roles in peace-building in their communities. Their voices must be heard and their contribution to peace must be recognized.

ROBBY TULUS

Gender, Co-operatives, & Peace

Aware of the gross marginalization of women in the leadership, decision-making structures and processes in co-operatives at all levels (primary, national, regional, and global) the Asian Women in Co-operative Development Forum (AWCF) and the International Co-operative Alliance for Asia Pacific held a conference in Tagaytay City, Philippines, May 7-9, 1997.

It was acknowledged that the exclusion of women, and the failure to incorporate women's concerns in decision-making, leadership levels, and processes in all structures, represents a major loss to society as a whole. To co-operatives in particular, it translates into a loss of half the potential, talent, and experience pool that can contribute to their growth and progress. The regional conference came up with a Platform of Action advocating six distinct strategies, with the determination to increase the number and the level of participation by women in the leadership, decision-making structures, and processes in co-operatives at all levels.

The exemplary and commendable regional conference in Tagaytay addressed the issue of co-operative governance, one of the areas

where women members tend to be grossly excluded when it comes to participation and decision making. The Tagaytay conference created significant momentum to advance women's participation in leadership and decision making in existing co-operative structures. At the global level we now have an Asian woman leader on the ICA board, and likewise, more women co-operative leaders are represented on regional and national level boards of directors. A review of "10 Year Tagaytay" took place at a follow-up regional conference in Tagaytay, November 2006.

The gradual advancement of gender-responsive recovery policies in co-operatives since the Tagaytay conference in 1997 (spearheaded by both the ICA and AWCF) could be greatly augmented by a more outward-looking strategy for addressing the violation of women in conflict areas and how gender equality can be well integrated into peace building efforts. Many co-operatives are operating in conflict areas such as Sri Lanka, Bangladesh, India, Nepal, and Indonesia.

Efforts to bring about gender equality in peace building efforts are of immediate relevance when one considers the seventh co-op principle of "Concern for Community." And since co-operatives strive for sustainable development, the latter can only be achieved if we invest in conflict prevention and sustainable peace, where men and women work hand in hand to create a culture of peace.

I am touched by a recent documentary on the plight of the Acehnese women who survived the tsunami disaster in December 2004. It highlighted the deplorable living conditions in refugee camps they are housed in and the resulting mental and physical torments they often face. The documentary film — Kartini-Kartini Kita (Our Heroines) — was produced by the National Commission on Violence against Women, documenting many cases of human rights violations against women. The Commission illustrated women tsunami survivors in Aceh who have taken the full brunt of rights violations in the province, taking different forms ranging from discrimination and forced eviction to sexual assaults. In one sequence, a 50-year-old widow with 10 children tells of barely being able to make ends meet to feed her family. In another, a young woman explains how she was raped three times, impregnated, and later beaten by her family be-

cause of it. A 15-year-old girl tells of being pushed into prostitution by her sister so they could have enough food to eat.

While this documentary is not directly linked to a conflict situation, the culture of violence seems to have permeated the living conditions in Aceh where violent armed conflict in the province has killed 15,000 civilians since 1976. As the Indonesian armed forces swept through the conflict areas in Aceh to look for suspected sympathizers and members of the then rebel movement (GAM), men fled to the forests or higher places in the mountains. Women were left alone, hence more vulnerable to harassment and intimidation by the security forces or the militia. In some villages, only women, children, the sick, and the elderly remained. Many reports suggest that bribery, extortion, and looting have been more common in these areas, where the women felt less able to resist.

Six model co-operatives being rebuilt by communities in Aceh after the tsunami and based on an Action Survey (facilitated by LSP2-Indonesia and the ICA, and funded by COOP UK) are taking gender equality into serious consideration during the post-tsunami reconstruction process. Through the livelihood restoration policy, women are involved in value added activities such as drying and marketing, whereas men are involved in the catching of fish. This, in turn, defines genuine economic democracy by having women have a say equal to men in decision making when it comes to income generation, distribution, and the eventual participation in governance within co-op boards and committees. A number of these model co-ops are also located in areas beset by armed conflicts in the past.

The case in Mindanao, another conflict-stricken area in the Philippines, is as gruesome as the previous one in Aceh. Mindanao is also a region in the Philippines where co-operatives are actively functioning. No immediate information or data, however, have been found to record the role of co-operatives in helping women in these conflict-ridden areas. Like many other armed conflicts in the world, the violent clashes between the Muslim rebels and the government troops in Mindanao is a costly one, claiming innocent lives and displacing thousands of families, with women and children enduring harsh living conditions in evacuation centres for long, difficult months. Following a relief and rehabilitation agenda in the peace talks, the Phil-

ippine government bragged about the hundreds of houses they have rebuilt for evacuees. But women who visited these structures noted that these houses are not sensitive to women's needs. Their concept of a home is not a four-cornered building, such as the ones provided by the government. A home must have a place for growing vegetables and space for raising chickens and hogs to supplement the family's income. If only physical structures are built, they will not address the women's needs to be productive within the family domain. The space must also be one where women have the opportunity to restore their livelihoods, thus contributing to their empowerment as productive members of society.

In the case of Sri Lanka, because of the nature of the conflict, Sunila Abeysekera[1] has explained in her essay, we need to be able to deconstruct the term "woman" into the separate ethnic, religious, and linguistic communities that are involved in the conflict in order to decipher the totality of women's experience. The situation of women within this context of ongoing conflict is always fraught with dangers and hazards. The shared experience of all women living in areas directly caught in the conflict in the north and east of the island is that of being deprived of their right to life and livelihood. The conflict has taken from women the possibility to do this kind of work, because their sources of raw material have become inaccessible due to the conflict. Incomes have dropped drastically, and many of the women who are not displaced complain of even more severe hardships than before. The fact that the men too are deprived of their livelihood leads to a great deal of frustration, often resulting in violence against the women and children in the home.

The above cases serve to show that there is ample reason for cooperative organizations, under the guidance of ICA and AWCF, to address women's issues and gender equality as they pertain to the pursuit of peace in their ongoing debates and training opportunities.

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1 Sunila Abeysekera, 47, is a single mother and an activist for women's rights and human rights in Sri Lanka. Sunila is committed to promoting issues of peace, particularly women's participation in peace-building in the region. She was awarded the UN Human Rights Prize in 1998.

Women must be involved in peace negotiations. Indigenous governance structures and processes must be explicit about gender equality and equity, or they will otherwise, and quite unintentionally, miss opportunities for strengthening gender equality and equity in both processes and outcomes.

After all, women's rights are human rights - those who espouse human rights (including the right to self-determination) need to recognize that women have equal rights too. Violence against women equals human rights violations that prevents women from participating fully in development and has to be combated by a whole range of measures. Co-operatives can play a vital role in this equation.

Section III

CO-OPS AND PEACE:
EXPERIENCES
IN SOUTH AMERICA

HANNAH WITTMAN

Planting Peace: MST Co-operatives and Agrarian Justice in Brazil

The Brazilian Landless Workers Movement (MST) has orga-
nized over one million families since 1984 in land reform
settlements organized around the principles of agricultural
co-operation and social justice, in a countryside otherwise marked
by violence and social inequality. This chapter traces the history of
the co-operative movement in Brazil and explores how the MST has
used co-operative principles to challenge dominant social relations of
violence and exclusion in rural areas. It also provides a case study of
how one MST agricultural co-operative has broadened its scope of
activity beyond production, to include political and social activities
designed to foster more equitable social relations in Brazil. The pa-
per is based on fieldwork conducted with the MST in Brazil between
2002 and 2004, and draws upon participant observation, archival
research on the development of the MST's own principles of co-op-
erative organization throughout the last twenty years, and interviews
with members of the national and state-level MST Production and
Co-operation Sector.

INTRODUCTION

In the two decades following Brazil's return to democracy in 1988, more than 1000 agricultural workers have been killed in rural land conflicts. These conflicts stem from an even longer history of unequal land distribution in Brazil, where just 1% of landowners control over 44% of agricultural land. In response to ongoing peasant demands for redistributive land reform as part of a broader rural development plan, 20th century reforms in Brazil and across the globe have been associated with state-led programmes of agricultural co-operation designed to address issues of land equity, rural development, and agricultural productivity (Ghimire, 2001; Luz Filho, 1967; Prosterman, Temple and Hanstad, 1990; Sobhan, 1993).[1] Forms of post-reform co-operativism have included state led collectivization, smaller scale community and collective production, and agricultural service co-operatives providing marketing and credit assistance. Despite these efforts, the continued neo-liberalization of agricultural policy has been associated with a rural exodus, and predictions about "the end of the peasantry" abound (Araghi, 1995; Goodman and Redclift, 1982; Hobsbawm, 1996).

At the same time, however, peasant organizations worldwide are engaged in "a collective search for mechanisms to reduce their vulnerability to many of the negative impacts of international economic integration…[and] for alternatives to protect and reinforce their own social structures and lifestyles" (Barkin, 2002, 83). A growing literature shows how new movements for peasant justice, alternative agricultural policies, and grassroots agrarian reform interact in the reconstruction of rural social and economic structures, through locally emergent organization and practice (Desmarais, 2002; Desmarais, 2003; Edelman, 1999; Barkin, 2002; Baumeister, 2001; Huizer, 2001; McKeon, Watts and Wolford, 2004; Lyson, 2004). Debates on the strategic position of local and regional farmer co-operatives in today's agrarian economy now centre on the diverse array of social services provided by local food producers and co-operative rural so-

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1 Re: collective or co-operative production, see: China: (Hinton, 2000; Lin, 1999); Russia: (Danilov, 1999); Cuba: (Deere and Perez, 1999; Enriquez, 2003); India: (King, 1977; Narayan, 1960; Herring, 1990; Herring, 2000). Other reforms involved the implementation of agricultural service co-operatives with individual production systems (e.g. Japan).

cial structures (Wilkinson, 1997; Mooney, 2004; Mooney and Gray, 2002; Seipel and Heffernan, 1997; Lacy, 2000). Further, as Mooney (2004) argues, "formal co-operation privileges a democratic structure within an economy that is generally driven by quite different social forces and forms of organization. In this sense, co-operatives can potentially pave the bridge between polity and economy with a democratic ethos" (77).

This chapter investigates one such experiment in grassroots agrarian reform and co-operativism. Brazil's *Movimento dos Trabalhadores Rurais Sem Terra* (MST) is the largest rural social movement in Latin America. The MST has organized over one million families since its formal organization in 1984, and has achieved the regularization of agrarian reform settlements for over 350,000 of those families during the same period.[2] In Brazil, a constitutional provision allows for the expropriation of underutilized land for agrarian reform. MST members target idle land through the process of occupation and encampment as part of their political bid for a permanent settlement grant. Through non-violent land occupations and public mobilization, the MST lobbies for land distribution and changes in agrarian policy to support peasant agriculture as part of a broader political project of democratic social transformation. Land reform plots are small, and resources including credit and agricultural extension are scarce for the newly settled farmers, many of whom have returned to the land after being displaced from farming years earlier. To reintegrate these families into a successful local food production regime, the MST promotes a new style of co-operative agriculture designed to both ensure economic viability of new land reform settlements, and also to foster new political and organizational spaces for the MST's larger goal of social transformation.

After a brief review of traditional co-operative history in Brazil, I describe the vision of co-operativism pursued by the MST, demonstrating how co-operation as an "after-the-victory" strategy produces an alternative social organization of peaceful production. This system helps small farmers survive the post land reform period in a climate that is aggressively neoliberal and habituated to a traditional mode

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2 Quem Somos 1984 - 2004: MST 20 anos de lutas, conquistas e dignidade! accessed 24/6/2004 www.mst.org.br.

of co-operation that has little to do with social transformation and peasant empowerment.

AGRICULTURAL CO-OPERATIVES IN BRAZIL

Agricultural co-operatives in Brazil have played an important role in structuring rural social relations since the turn of the twentieth century as "powerful agents in the construction of Brazilian identity, as instruments that shaped habits of rural people" (Mendoça, 2002, 11). Although the first consumer and service co-operatives in Brazil date back to 1891, the first agricultural co-operatives in Brazil were formed in the 1920s by Japanese immigrants serving the larger São Paulo market with vegetable production (Mendoça, 2002; Fleury, 1983). By the 1930s, when the first co-operative legislation was passed, co-operativism in Brazil was the object of political dispute, with two divergent co-operative visions vying for supremacy. One group, who Mendoça refers to as the "doctrinarians," viewed co-operativism starting in the 1920s as a path to the achievement of rural social justice. This group was anti-individualist and had an organic/co-operative vision of society (Mendoça 2002, 35), lobbying the state to develop a national, public co-operative organization linked to the rural and urban unions as a means to smooth out rural inequality. The prevailing faction, however, led by the dominant agrarian class, sought to install "autonomist co-operativism," or a vertical national co-operatives structure focused on credit/marketing/service provision, individual production, and membership. The legacy of this debate was the progressive nationalization and bureaucratization of co-operative structures, as a way for the dominant agrarian class to update or modernize Brazil's so-called agrarian vocation.

After co-operative legislation was passed in 1934, state-organized service co-operatives were designed to increase production, and make urban and rural food supply systems more efficient through the provision of credit and marketing infrastructure. The original reformist/democratic tendencies of the co-operative movement in Brazil were lost in the programmes of agricultural modernization and market integration (Fleury, 1983; Luz Filho, 1967; Mendoça, 2002; Santos, 1978). For many decades to follow, conservative co-operativism dominated in Brazil. By the late 1970s, large agricultural co-opera-

tives, particularly in the south of Brazil, engaged in contract farming and price regulation. In this sense, the modern co-operatives "made sure that the members 'didn't lose everything' but that they didn't gain much either" (Silva, 2003, 151). At the same time, small farmers associated with large co-operatives tended to specialize in market production at the expense of subsistence production strategies, in keeping with the tendency of Brazilian agricultural co-operatives to specialize in one commodity (Silva, 2003; Santos, 1978).

The primary co-operative structure in Brazil today is the Organization of Brazilian Co-operatives (OCB), which defines co-operatives this way:

> *A Co-operative is an organization of at least 20 people, united by co-operation and mutual assistance, of democratic and participatory origin, with common economic and social objectives…It is founded in economic solidarity and should obtain an efficient economic output.[3]*

By 2003, the OCB reported the existence of 1519 agricultural service co-operatives, with 940,482 members (Organização das Cooperativas do Brasil, 2003). Modern agricultural co-operatives in Brazil operate as highly efficient technical enterprises, promoting a "business-oriented vision of agriculture" (Chase, 2003; Oliveira, Souza and Moura Filho, 1999). Agricultural co-operatives are responsible for a large part of Brazilian food and commodity production (see Table 1), and by 2003 were responsible for over USD 1 billion of export revenue (see Figure 1).

The OCB argues that modern co-operativism's main goal should be to

TABLE 1. SHARE OF PRINCIPAL COMMODITIES PRODUCED BY CO-OPERATIVES IN BRAZIL, 2003

Wheat	62.19%
Barley	44.19%
Oats	39.21%
Milk	39.70%
Cotton	38.91%
Pork	31.52%
Soybean	29.40%
Coffee	27.97%
Garlic	22.47%
Grapes	19.17%
Maize	16.68%
Rice	11.36%
Beans	11.18%

Source: (Organização das Cooperativas do Brasil, 2003)

3 X Congresso Brasileiro Cooperativista, Brasilia, 1988.

FIGURE 1. VALUE OF CO-OPERATIVELY PRODUCED EXPORTS 1990-2003

Value in Millions, USD

Fonte : Sec. Rec. Federal - Sistema ALICE e Núcleo Banco de Dados OCB   Elaboração : GETEC/OCB
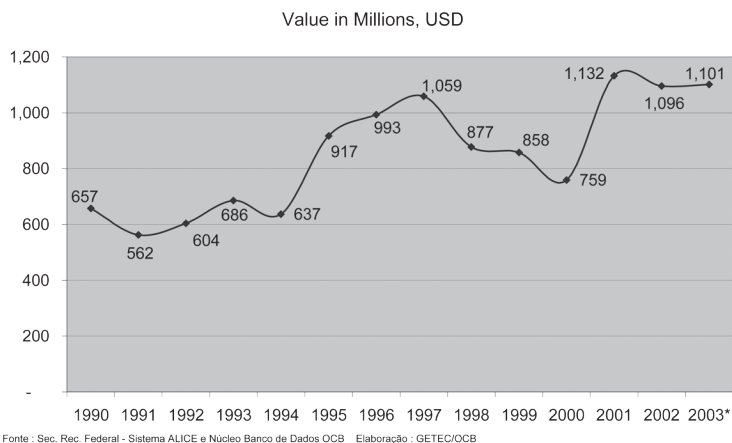
increase economic efficiency through the scale advantages and opportunities that co-operatives typically provide. This redefinition of agricultural co-operativism as a network of rural businesses that can "take advantage of market opportunities" has served to cement a hierarchical and centralized relationship among members, and the "concentration of power" in a directors' council, generally comprised of large-property owners, rather than the collective organization (Oliveira, Souza and Moura Filho, 1999; Santos, 1978).

At the 2004 OCB national meeting in Cuiabá, Mato Grosso, a keynote speaker argued political neutrality is a fundamental principle of co-operativism, careful to distinguish the OCB's objective of efficient production as an engine of economic development from the idea of the "solidarity" economy, a line of thinking increasingly adopted by grassroots movements in Brazil, including the MST (Singer and Souza, 2000; Singer, 2002). To make his point about the differences between the market-oriented co-operativism of the OCB and the alternative kinds of co-operation emerging from the solidarity economy movement, the speaker argued that the almost 1 million members of co-operatives associated with the OCB must:

…demystify the market and productive forces for the co-operatives associated with the Solidarity Economy Movement, so that the co-operative can be de-linked from its social and political paradigms of origin, and so that the co-operative can move closer to the reality of income and employment generation through economic efficiency, which is its objective and means of success.[4]

THE MST AND ALTERNATIVE CO-OPERATIVISM

By contrast, the idea of a "solidarity economy" based on co-operation is a holistic vision of social and economic life in which the aim "is not to make the greatest possible profit, but to increase the quantity and quality of the work" (Arruda, 1996). The MST's vision of co-operativism is one example of an evolving notion of social and economic practice that seeks to redefine the place of agricultural production within larger processes of social and economic transformation. The experiences of agricultural co-operation in the early years of MST organization were related to the experience of families associated with the Ecclesiastical Base Communities (CEBs) of the Catholic Church, small groups of families often engaged in collective production and political organization.

While the experience of mobilizing for agrarian reform is, in and of itself, an experience of co-operation, during the first five years of the movement's existence (1984-1989) it became increasingly evident that a particular kind of co-operation around MST production was necessary to help settlers remain on their newly won plots in an agrarian environment that continued to displace more families every day than were being settled via agrarian reform (CONCRAB,[5] 1998; Fernandes, 2000). Ademar Bogo, a national MST leader, writes

The most difficult thing is not the process of conquering the land, but in making it produce, to organize co-operation, marketing, and to develop new technologies and to forge a new consciousness in the settlers, so that they can become true campesinos of our time. For this we need dedication, study, exchange of experiences, and sufficient flexibility in our ways of organizing. This is learning

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4 Bialoskorski Neto, 2004.
5 CONCRAB stands for: Confederation of the Co-operatives of Agrarian Reform in Brazil

*that is not found in universities; it takes many years to acquire it
in concrete practice.*[6]

From the beginning, the MST has encouraged families to form collective production groups and associations after settlement.[7] In 1988,
based on debates at three national MST meetings, the movement
produced a "Manuel of Agricultural Co-operation" which encouraged new settlers to form co-operative and collective groups as a way
to combine political education and activities with the resolution of
problems of production and settlement sustainability.[8] At the end of
the 1980s, members of the movement continued to debate the role
of co-operativism as a post-settlement survival strategy.   A national
MST leader in the Production, Co-operation, and Environment sector remembered how discussions about co-operativism have evolved
throughout the movement's history:

*The debate about co-operativism in the MST goes back 20 years.
[We discussed] how, within this system and with all the contradictions that it carries with it, can we develop a project that takes
into account improving the conditions of life for people, guarantee
that the people have a convivio social within the settlement, and
have the conditions to grow as a community, escaping a little from
individualism.*[9]

The process of changing the perspective of the settlers around organization and production is ongoing. As a member of the MST's regional Production, Co-operation, and Environment Sector explains,
many people who join the MST

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6 In *Trabalho em cooperação* from MST data CD, also from Bogo, 1999, p 35.

7 The history of the MST includes many references to diverse origins of the preference for small
groups, from such models as the 12 apostles, reflecting the MST's roots in organization
by the catholic church, Mao Tse Tung's teaching that small groups are embryos of larger
collective organization, and knowledge of the Cuban experience of small production co-operatives.

8 According to Paul Singer, a prominent Brazilian writer on the "solidary economy," "Despite
initial resistance to co-operative principles, 'which came from negative experiences of the
traditional model of the co-operative, characterized by large agricultural-industrial firms
carrying out a policy of economic exploitation of farmers' (CONCRAB, 1999: 6), the talks
developed in favour of the type of co-operativism which nowadays would be defined as the
solidary economy" (Singer, 2002).

9 Interview #33, MST state coordination, Sector for Production, Co-operation and
Environment, Riberão Preto-SP, 11/15/2003.

…go with the dream of having land. These are people that have a history in the countryside, but ended up going to the city, staying in the city for a long while working in a factory or civil construction. These people carry within themselves first a vision of the country-side that they had from before, of the smallholding, of planting for subsistence, without much of a collective dream.[10]

Another leader of the MST's national Sector of Production, Co-operation, and Environment explains how the MST has worked with the various kinds of co-operation existent in Brazil:

In the early 1990s, we carried out a series of studies, debates, and reached the ideal that we should constitute a Settlers' Co-operative System (SCA), that would have co-operatives as a starting point. [We promoted] co-operatives in the settlements, either collective or service co-operatives, with a central co-operative at the state level and at the national level the confederation, CONCRAB. This was defined in 1990 as a political strategy, and was consolidated in 1992 when we founded, on May 15, 1992, the Confederation, CONCRAB.[11]

The priority of collective, rather than individual, survival is a key feature that differentiates the MST co-operative vision from traditional co-operatives in Brazil. While members of traditional co-operatives have individual relationships with the co-operative body, members of MST co-operatives engage in alternative strategies based on community building and a revision of the social organization of production. The MST has adopted the principles of the solidarity economy in its proposal for a "new co-operativism," characterized by being "alternative, different, and of opposition" (CONCRAB, 1998). In this alternative co-operative vision, co-operative and collective production is "a tool for social struggle," designed to contribute to:

- the economic survival of the settlers by increasing labour productivity, rationalizing the use of human and natural resources, and amplifying the competitiveness of market products;
- the social …organization of the settlers through improving the quality of life and access to goods for collective use (housing,

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10 Interview #33, MST state coordination, Sector for Production, Co-operation, and Environment, Ribeirão Preto-SP, 11/15/2003.

11 Interview #4, MST national coordination, Sector for Production, Co-operation, and Environment, São Paulo, 11/17/2003.

basic infrastructure, education, transportation, health, leisure, etc.); and,
- the political organization of the settlers through increasing their capacity for resistance, developing class consciousness, and accumulating forces to transform society" (MST, 2002).

Today, alternative co-operatives simultaneously occupy political, economic, and cultural space, as human communities characterized by a culture of solidarity (Arruda, 1996, 4). For the MST,

> … *the practice of autonomous co-operativism, self-managed and in solidarity, gains enormous importance as it innovates in the space of the human enterprise/community …thus associative and self-managed co-operativism, transformed into a strategic project, can be the means of more adequate restructuring of the socio-economy in the new era that is being announced.*[12]

Decisions in self-managed co-operatives are taken in a general assembly rather than an elected director's council, returning decisions about production to actual producers. Key differences between "traditional" and "alternative" co-operatives are shown in Table 2.

Unlike the traditional rural co-operatives governed by the OCB, which sought to de-politicize agriculture, the MST co-operatives seek to integrate the transformation of Brazilian political and economic structures with the more mundane struggles of crop yields and marketing strategies. The MST co-operatives are guided by general principles that offer an alternative to the capitalist model of co-operative production, but recognize the tension between the two faces of the "new co-operativism" to carry out political struggle while also producing food for local and regional consumption as a means for settlement survival.

The resolution of this tension through an alternative co-operative project has several positive outcomes for the MST, according to Fernandes (2000, 234-38): demonstrating to society that it is possible to base the Brazilian economy on other values, by articulating relationships between country and city, and placing personal development and co-operation between members before economic growth.

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12 CONCRAB, 1998.

TABLE 2. ALTERNATIVE VS. TRADITIONAL CO-OPERATIVES

FEATURES	ALTERNATIVE CO-OPERATIVES	TRADITIONAL CO-OPERATIVES
CHARACTER OF CO-OPERATIVE	Political: seeks transformation of economic and business relationships and to improve the quality of life of members	Economic enterprise
PURPOSE	Organization of production for subsistence and sale	Commerce
LABOUR ORGANIZATION	Co-operative family labour	Individual family labour
CO-OPERATIVE BASE	Members and non-members (inclusive)	Members and hired labour (based exclusively on ability to contribute economically)
CLASS OF WORKERS	Equal status (small holders)	Large and small producers in same entity
DISTRIBUTION OF PROFITS	Varies by co-operative (divided among workers, reinvested)	Normally not distributed
MANAGEMENT & DECISION MAKING	Collective	Representative (director's council)
MEMBERS' ACCESS TO INFORMATION	High	Low
PLANNING	Bottom-Up. Each sector plans activities and obtains approval from the co-operative assembly.	Top-Down. Workers are assigned tasks.
SOCIAL OUTCOME	Economic democracy and improved standard of living	Maintains income concentration

Source: Adapted from (CONCRAB, 1998, 9; Fernandes, 2000, 230)

Between 1984 and 1998, a total of 83 production co-operatives were founded in MST settlements throughout Brazil (Table 3). The majority of these are found in Brazil's southern region, where the MST began organizing in the early 1980s. In the central west region, however, the MST and its new vision for co-operatives is much more recent.

These 20,000 members of MST co-operatives represent an admittedly small fraction of nation-wide co-operative membership (5% of agricultural co-operatives and 2.2% of agricultural co-operative members). But as the experiences of newer MST co-operatives described below indicate, these pioneering efforts have grown as part of the larger solidarity economy in Brazil, and have also spawned additional co-operatives, associated with the MST, that have learned through their experiences with the national effort.

In the following section, I present a case study of the first MST co-operative in the state of Mato Grosso, a state dominated by corporate agriculture, monoculture, and extreme land concentration. The Canudos Agricultural Production Co-operative Ltd (COOPAC) provides an example of how the MST's alternative vision for agriculture and co-operation diversifies and extends the social structure of production to redefine community relations, provides space for family agriculture in the local and regional food system, and meets broader social objectives of local and regional development.

TABLE 3. MST PRODUCTION CO-OPERATIVES IN BRAZIL 1984-1998

REGION OF BRAZIL	MST PRODUCTION CO-OPERATIVES	NO. OF MEMBERS
Northeast	21	1,927
Southeast	14	2,559
Centre-West	2	60
North	1	53
South	45	15,678
Total	83	20,277

Source: (Fernandes, 2000, 234-238)

LAND OCCUPATION AND THE VISION OF CO-OPERATION

COOPAC is located in the municipality of Campo Verde, Mato Grosso, and is based on collective living and productive space, collective management, and collective labour. COOPAC has its roots in the MST's first land occupation in the state of Mato Grosso on August 14, 1995. As part of the MST's spatial expansion during the mid-1990s, a small group of MST organizers arrived in the state to begin grassroots education about an alternative agricultural model. These leaders were able to draw upon the national experiences of co-operation in their initial grassroots engagement with settlers in Mato Grosso, seeking to express another way of organizing around land, not to "get land," but to "show the other side of land conquest, the social question." This social question is intimately tied with the social organization of production.

The occupation of the Fazenda Alianca ranch by COOPAC members and 1000 other landless families was the first experience in co-operation, trust, and solidarity, for many participants in the MST in Mato Grosso. As with other MST encampments, COOPAC's occupation had a particular structure of organization, ensuring that everyone contributes to settlement co-

FIGURE 2. CO-OPERATIVE COMMEMORATIVE INSCRIPTION

ordination and maintenance. During the process of encampment, individuals and groups of families took classes in political education, co-operativism, agricultural extension, and literacy. They also engaged in debates and discussions about the future shape of the settlement, and the formation of groups in preparation for eventual settlement. The camped families were grouped into self-selected *nucleos* or groups, where they planned their future life together and discussed the MST's strategy of promoting collective and co-operative production. After moving several times and participating in another land occupation, 70 families from the original Fazenda Alianca occupation received the preliminary right (*comodato)* of the Terra Forte Fazenda in the municipality of Campo Verde during the first months of 1996.

The members of the COOPAC collective belonged to one encampment nucleus comprised of fifteen families, some of whom were related to each other. These families, among the first to join the MST during its initial organizing in Mato Grosso, identified group-specific goals to implement an alternative form of agricultural co-operation that went beyond economics and streamlining production. But to do this, they had to confront one of the "vices of daily life" – the culture of individualism identified by both co-operative members and other settlers that limited the participation of all of the MST members in the co-operative project.

The COOPAC co-operative was legally inaugurated by its 23 members on March 15, 1998, "the fruit of the first occupation" of the MST in Mato Grosso. The motto of the co-operative is displayed on a metal sign attached to the external wall of COOPAC's office:

> *Utopia is a proposal for the transformation of the world grounded in the possible. The objectives and mission statement of the co-operative are to organize production, improve the standard of living for the members, and contribute to the struggle for agrarian reform, to show society that the movement of rural workers has other dreams beyond just acquiring land.*[13]

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13 From COOPAC document Planejamento Da Produção Da Cooperativa De Produção Agropecuária Canudos Ltda. – COOPAC**,** August 2000.

THE PHYSICAL STRUCTURE OF LIFE AND PRODUCTION

COOPAC co-operative has restructured both the social and physical aspects of settlement to facilitate its vision of co-operation. COOPAC members built their houses very close together, unlike traditional land reform settlements in Mato Grosso, in which houses can be located up to 2 kilometers apart. The physical structure of the settlement has had a particularly important role in building a co-operative structure that ensured organizational flexibility, economic viability, and social cohesion. COOPAC families wanted to engage in collective production, unlike many agricultural co-operatives that are based on individual production and collective marketing. To this end, when settlement lots were assigned, the families as a group received 12 lots, which they did not divide (although the individual divisions appear on the official settlement map, see Figure 3). The collective area bordered the "social area" set aside for the settlement church, school, and health post. The co-operative also located their milking barn, grain storage facilities, small animal pens, and collective kitchen nearby.

FIGURE 3. SETTLEMENT 14 DE AGOSTO, COOPAC CO-OPERATIVE COLLECTIVE AREA
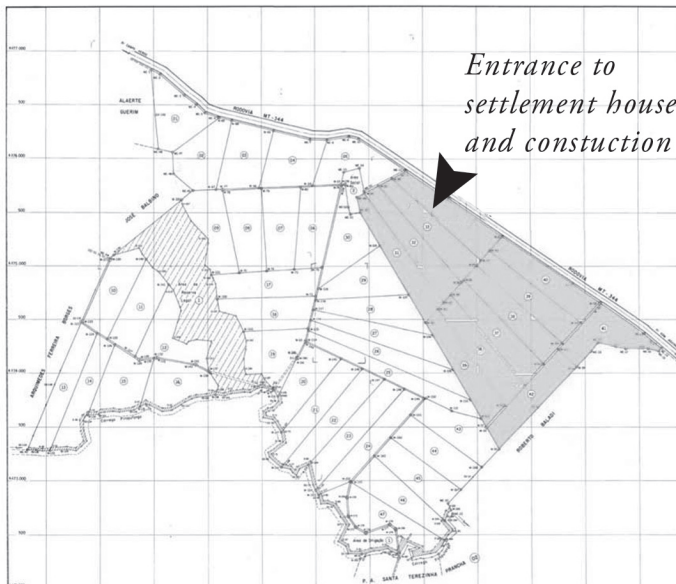
COOPAC members perceive themselves not just as economic partners, but as a community. Most of the families were involved in a Catholic study group. Every time I visited the co-operative, the members would come together for a religious celebration or discussion. For example, food collections were taken up for needy people in the nearby town of Campo Verde, and events were planned for the children of co-operative members. The day to day interactions of the members, due to their physical proximity, was useful in the day to day planning of the social and economic production of the co-operative.

DIVERSIFICATION OF SOCIAL AND ECONOMIC PRODUCTION

In its agricultural extension and education programmes, the MST promotes production diversity not only for subsistence, but because diverse production systems are more resilient to market and price fluctuations. In keeping with the MST's principles of agro-ecology, the COOPAC co-operative has diversified its production system using principles of environmental sustainability, employing green manure, cover crops, and other organic production methods when possible.

Early in its organization, COOPAC applied for and was awarded a state agricultural development grant for group production systems.[14] The initial economic strategy was centred around a chicken and egg factory (*aviario*), a manioc flour processing plant, a milking parlor, and a "lambique," a sugar cane processing plant that produces brown sugar, cachaça (sugar cane whiskey), and other sugar cane derivatives. The co-op also manages a small irrigated area for production of subsistence crops like rice, beans, and corn, as well as market vegetables. The strategy also included swine and sheep production, shade grown coffee for local consumption, and banana production for market. Members of the co-operative also reforested a section of their land with eucalyptus for fuel wood, and a variety of native tree species for future timber needs.

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14 The COOPAC co-operative received a PADIC grant (Programmea de Apoio Direto às Iniciativas Comunitárias – Direct Support Programme for Community Initiatives) from the state government.

The spatial proximity of the COOPAC families' living and production spaces facilitated co-operative planning and communication. In the early mornings, co-operative members would get together to talk about the tasks for the day and to discuss the division of labour. Activities such as planting and producing manioc flour (farinha) were done collectively and were an opportunity for communication and social interaction. Through this interaction, equal responsibility in planning emerged as one of COOPACs organizational principles.

The division of labour, based on a strategy of production, is a key referent in the MST struggle. Most members of the co-operative have an assigned leadership role for particular lines of production. These members aren't "in charge," but rather coordinate the rest of the co-operative members in carrying out each line of production by estimating required labour and scheduling the work. All of the members participate in collective planning exercises at weekly, monthly, and yearly meetings for the entire production system.

The collective kitchen is another time saving device included in the co-operative division of labour. The noon meal is prepared with co-operative supplies by the kitchen coordinator, and all families eat together. This has liberated an average of two hours of leisure time for one or more members of each family. Several women (and some men) explained their great relief about no longer having to spend long hours cooking the main meal of the day. The weekly shopping trip for individual family grocery needs not produced on the farm is also a task assigned to the Purchasing and Marketing Sector. Bulk buying earns the shoppers a 17% discount at the local grocery, and the amount spent is deducted from each family's income disbursement at the end of the month.

The division of monetary income was another chance for debate and deliberation among the co-operative members. Co-operative members explained to me that, at first, subsistence food production and any profits from sale were divided equally among the families, regardless of hours worked. Now, each member of each family keeps a log of hours worked. Subsistence crops, milk, and meat are still divided equally among the families, while cash payments to each individual derived from co-operative income are based on the number of

hours worked on collective tasks (cooking for the collective kitchen, planting, milking, etc).

Organizational flexibility based on discussion and planning has allowed the COOPAC production strategy to evolve based on individual and collective needs. For example, some larger families plant an additional individual section of rice. Little by little, the balance between collective and individual effort is being worked out, and each family is able to take on individual initiatives as they see fit, while still contributing to the larger co-operative objectives. For example, a few families use a previously-discarded byproduct of the manioc flour production to produce manioc starch for sale.

COOPAC's production strategy has continued to evolve since 1998. In a recent visit (December, 2004), I noticed that COOPAC was no longer selling the varieties of vegetables that they had formerly sold at the farmer's market, although these are still grown for subsistence use. One co-op member explained that COOPAC is experimenting with a mix of products that fits COOPAC's available labour, as the group is committed to collective production and not hiring outside labour. In order to maintain time for political activity and for leisure, the overall production mix has been re-designed in favour of economic efficiency; this is especially important given the relatively small amount of labour available (now nine families, about 18 full time workers). At the market, COOPAC now concentrates on selling value-added products like cheese and manioc flour, in addition to fresh corn, while other settlements from the region now meet the demand for locally produced and organic vegetables. But, even so, COOPAC production is remarkably diversified. By the end of 2004, at its seventh anniversary, COOPAC was producing coffee, vegetables, green corn, rice, beans, sugar cane, and derivatives (brown sugar, liquor), fish, milk, cheese, manioc (fresh, flour, and starch), and bananas.

EXTENDING THE ORGANIZATION OF PRODUCTION

COOPAC's strategy of combining political work with production diversification is also crucially different from Brazil's conventional co-operatives. For MST members, political production is not simply a byproduct of economic production, but rather dual goals of

138

the same social project. In this sense, the co-operative is used as a vehicle for broader social change, with tangible benefits not only for COOPAC's internal organization in terms of increased income, but also for the regional organization of production. Two examples illustrate this.

Campo Verde Farmers Market
The installation of a farmer's market in Campo Verde is a tangible result of COOPAC's ability to create alternative spaces for family agriculture to survive in the region. COOPAC members recount the story of protracted negotiations with Campo Verde's mayor and municipal council, including the physical occupation of the municipal seat, to demand local government support in creating the Campo Verde farmer's market. Unlike other small towns in the region, Campo Verde had no "traditional" open air market, and families from area settlements (by 2004 there were five settlements in the municipality) had no public space where they could sell their produce. COOPAC members started a MST market in the street one day in 2001 with a few tables and the MST flag. A former member of the Campo Verde city council remembers, "We had eighteen stands when it all began, if I'm not mistaken. It was a morning, and from then on every Sunday morning there has been a *feira,* spilling over into the street."[15] The local government was eventually persuaded to build a permanent steel roofed structure with a concrete floor, making the transition from an MST market to a broader public market, now a bustling weekend festival with sellers from all over the region. More than 150 sellers from across the municipality have formed a regional Market-Seller's Association to regulate booth registration, and to pay for cleaning and maintenance.

The School of Co-operation
Exchange of experiences is another important pedagogical tool for the consolidation of a different kind of agriculture, one that valorizes diversified subsistence production over market specialization. In the early days of the COOPAC co-operative, the families traveled to the state of Parana to visit a well established co-operative project that the MST had established. In 2004, COOPAC received an exchange

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15 Interview #148, Cuiabá, 4/13/2004.

group from the same place. The idea of establishing backward and forward links, as spaces for reflection and revision of practices, is an important feature of the flexible survival strategy of the co-operative. Organizers from other sectors of the MST in Mato Grosso also use COOPAC as an organizing and meeting space. The COOPAC co-operative has played an important role in serving as an example to other newly forming MST co-operatives in the state of Mato Grosso. This organizing takes place on-site, in the form of using COOPAC as an education and training centre for other MST groups seeking to create a co-operative model, and for off-site meetings, mobilizations, and political exchanges.

OVERCOMING OBSTACLES TO CO-OPERATION

Despite the long struggle and many sacrifices made by the 23 original co-operative members to obtain a collective living and productive space, the co-operative has faced challenges. A collective member explains how the actual practice of co-operative production and living differs from theory, plans, and expectations:

> What happened is that what's on paper is very easy, what is there is very simple to look at, but in practice it is different. What's on paper is like, you have a vision that it is great, but it isn't great because you don't see the problems, you only see the solutions. It's only in living together, in the day-to-day, that you see the details. It's like making a cake. Living here is just like that. To make a cake, you need eggs, sugar. But if you are missing an ingredient like that, the cake doesn't turn out.[16]

These "details" of daily life involve unlearning old habits and learning new ones. Co-operative members explained that considerable effort is necessary on the "social question," in understanding people's perspectives and trying to work with different ideas and opinions. Several families have left the co-operative, some for personal reasons and one person who stated that he felt "a need for my own space…I don't like living here surrounded by all these people." These families have each started an individual family farm using land cut off from the main part of the collective production area. One co-operative

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16 Interview #147, 14 de Agosto settlement, 4/14/2004.

member talked about being at the beginning of the learning curve in the process of installing a new kind of co-operativism in the Mato Grosso. "As it was the first MST co-operative in the state, there were many things that we didn't establish at the beginning, such as what to do when a family wants to leave. They take their lot and we are left with less." But newer MST co-operatives and collective production groups have learned from the COOPAC experience. Two co-operatives in nearby MST settlements included clauses in their bylaws that families leaving the collective group would receive some compensation for the individual investment in housing, or could exchange places with an individual settler that wanted to join the co-operative, but members could not remove a plot from the collective area upon leaving.

Another member also comments on the difficulties of maintaining group cohesion over time:

> You want things one way, another person wants it another way, another thinks no, it should be like that. There is never a moment when everyone is happy, there are always those that question, and afterwards it creates a climate of dissatisfaction, that doesn't give you much liberty to live happy. Sometimes there are days that you think, you want to leave everything and run away. …and some people are leaving. Why? Due to the lack of understanding, of everyone realizing that we are all in charge, that everyone has a turn, to say things at the right time, to not hurt people.

Though some members comment on the difficulties of maintaining group cohesion, others insist that it is exactly this exhausting process of constant discussion that leads to renewal and ongoing solidarity and co-operation in instilling a new social organization of production. The co-operative's process of collective decision making and planning has led to an ongoing re-division of labour that is constantly changing based on reflection. This "painstaking debate and revision" has led to a level of increased economic stability compared to the families in the settlement that are producing individually, and an organization that has left space for values identified as important by the co-operative members – solidarity, service, and constant learning, and depending on each other for survival.

CONCLUSION

The Brazilian experience of state-led land distribution and agricultural co-operation has done little to foster sustainable social and productive spaces for smallholder agriculture. Co-operativism, in the eyes of the state, is a tool for economies of scale designed to facilitate the transformation of the peasantry to individually managed "family agricultural enterprises" for commodity production.

Conversely, grassroots agrarian reform and associated visions of alternative co-operativism seek land not only as a productive resource, but as space for the installation of new democratic social relations in the countryside. Solidarity and service to the greater public good are key elements of the MST's national strategy of co-operation as a way to integrate political transformation with economic survival. As shown in the COOPAC case study, co-operative members derive political, economic, and social benefits from their collective undertaking. But as the activities of this MST agricultural co-operative have shown, co-operative action goes beyond simple livelihood production, to create alternative spaces for local and regional food production and social and political change. As the MST argues, "settlements should be examples that [show] it is possible to organize society in another way, where the workers can be in charge of their own destiny; showing capacity in organizing the economic world, but also showing new social relations, like companionship, solidarity, and a spirit of sacrifice" (CONCRAB, 1998, 16-17).

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FATHER ALFREDO FERRO
M S.J.

La Experiencia del IMCA en el Desarrollo Sostenible, Como Contribución a la Paz en el Valle del Cauca, Colombia

Esta ponencia sobre nuestra contribución desde el Instituto Mayor Campesino - IMCA a la paz de Colombia, azotada por la violencia, se enmarca en el enfoque de la sostenibilidad, en la cual las dimensiones económica, ambiental, cultural, social, política y espiritual se integran como componentes fundamentales en un proceso integral de desarrollo.

Para iniciar mi intervención, es conveniente ubicar geográficamente la experiencia, mencionando algunos aspectos generales de la realidad colombiana para facilitar la comprensión de nuestro proyecto de vida, para luego presentar la identidad institucional y la propuesta de un Plan de Desarrollo Sostenible a nivel de la región, que conjuntamente con otros actores estratégicos, se está llevando a cabo, iluminada por la práctica de las organizaciones campesinas que acompañamos.

UBICACIÓN

El IMCA[1], está localizado en el municipio de Buga, en el departamento del Valle del Cauca, Colombia - Sur América.

Aspectos Generales de la Realidad Colombiana

COLOMBIA: Colombia es un país etnodiverso y pluricultural con más de 41 millones de habitantes, de los cuales el 25% vive en la parte rural. Tenemos gran cantidad y variedad de climas y ecosistemas que ofrecen una megadiversidad biológica, abundante en frutas tropicales, plantas útiles no convencionales, mamíferos, peces, insectos, flora ornamental y medicinal, maderas finas, forrajes alternativos, etc. El país ha sido y sigue siendo una despensa de recursos genéticos; somos un gran potencial hídrico con dos costas y cuantiosa agua dulce en nuestras montañas y valles, entre otras riquezas.

  Nuestra población en el campo está conformada por indígenas, afrodescendientes y campesinos mestizos, que han aportado y pueden aportar al país y a la humanidad beneficios económicos, culturales, ambientales, sociales y espirituales, pero que a su vez requieren ser visualizados y potencializados.

  Colombia siendo un país de una gran potencialidad, sufre de una gran injusticia debido fundamentalmente a la concentración creciente de tierras y de la riqueza en pocas manos , a lo que se le suma un conflicto armado interno no resuelto de más de 50 años, que cada vez más profundiza heridas internas y afecta profundamente los campos. Asistimos a veces impotentes a las muertes silenciosas y a las masacres de hombres y mujeres inocentes fruto del enfrentamiento entre actores armados, que con la guerra producen al mismo tiempo los desplazamientos forzados, que en los últimos 10 años se estiman en más tres millones de personas. En las últimas décadas este conflicto armado se ha cruzado con el narcotráfico y la corrupción administrativa, protegida por intereses particulares internos y externos al país.

  Constatamos así mismo la perdida de identidad y sentido de pertenencia de lo propio, de nuestras raíces culturales, de los valores y principios éticos que a diario son atropellados por una sistema neoliberal,

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donde el centro es el individuo objeto solo de consumo, perdiéndose a su vez la perspectiva histórica y la construcción de un horizonte de futuro humano digno y solidario.

Colombia en diez años ha pasado de ser un país productor de alimentos a consumidor; antes de la apertura económica promovida por el presidente Cesar Gaviria en 1.993, se importaban 700 mil toneladas de alimentos, ya en el 2004 se estaban importando más de 8 millones de toneladas. Con ello se ha perdido también la base alimentaria y la capacidad de producir los propios alimentos, pasando a la ganadería extensiva y a los grandes monocultivos, lo que causa grandes daños ambientales y ha empobreciendo la población. De otra parte, padecemos las políticas de dependencia externa a través de la deuda, ya que solo en pagos de intereses de la misma, gastamos el 50% del PIB y el TLC recientemente firmado con los Estados Unidos. Todas estas políticas cuentan con apoyo del gobierno actualmente reelegido en el mes de mayo y con los intereses de grupos particulares, donde no se privilegian los intereses nacionales, ni los de las comunidades.

Nuestra educación y la tecnología que imparten las instituciones del sector, donde predomina el enfoque dominante del desarrollo urbano industrial, de ninguna manera favorecen el desarrollo humano y menos las comunidades campesinas y los sectores populares. Tenemos desafortunadamente una juventud que en su mayor parte ha perdido el referente del pasado y que le cuesta soñar con un futuro positivo, ya que difícilmente se le es permitido, frente a un contexto tan adverso y que a su vez está inmersa en una sociedad que promulga el consumismo y la existencia vivida con sentido a través del dinero fácil.

El creciente empobrecimiento y exclusión de los sectores populares, campesinos, indígenas y afrodescendientes cada día es mayor. Según los datos oficiales en Colombia, el 60% de la población esta en la línea de la pobreza (ingresos menores a dos dólares diarios) y de estos 9 millones en la indigencia. En la población rural se estima que el 82.6% está por debajo de la línea de pobreza y el 40% de estos en la indigencia . Además se tiene el 11% de desempleo y un 40% de subempleo en la población económicamente activa

VALLE DEL CAUCA: La región donde nos encontramos como institución, es decir, el centro del Valle del Cauca al sur del país, tiene una población de 538.875 habitantes, una extensión de 5.791 Km2, con una topografía que va desde los 950 a los 3000 metros sobre el nivel del mar, con un clima que varía del cálido, medio, frío y páramo; en la parte más baja hay una zona plana dedicada a cultivos agroindustriales como la caña de azúcar, el resto es ladera de las dos cordilleras (Occidental y Central), en la parte baja de ladera predomina la ganadería extensiva, en las zonas medias y altas de las cordilleras los cultivos de economía campesina que están de forma asociada como: café, plátano, yuca, fríjol, maíz, etc. y en pequeña escala bovinos, porcinos, aves, etc.

Parte de nuestros beneficiarios en el marco de la economía campesina, son hombres y mujeres o que no tienen tierra o que tienen pequeñas propiedades en las zonas de montaña; otros han sido desplazados forzadamente por el conflicto. Las vías de comunicación son muy deficientes, la producción de alimentos ha disminuido, se hace manejo inadecuado de los recursos naturales, hay poca presencia institucional, las organizaciones son frágiles y desarticuladas y existe una visión recortada del potencial local por parte de las comunidades e instituciones.

IDENTIDAD INSTITUCIONAL Y PLAN DE DESARROLLO REGIONAL SOSTENIBLE.

Identidad
El IMCA, fundado en 1962 por la Compañía de Jesús, es una organización no gubernamental, articulada a la labor social de la Iglesia católica de Colombia y a la Compañía de Jesús, que privilegia el servicio a las comunidades campesinas.

Breve Reseña Histórica del IMCA
El IMCA fue fundado en año 1962 por el P. Francisco Javier Mejía, S.J., con el propósito de formar jóvenes, hombres y mujeres, en educación primaria básica, educación cooperativa, sindicalismo agrario y organización comunitaria, con el fin de que fueran los mismos campesinos, los sujetos del desarrollo de sus comunidades.

En el año 1978, el IMCA cierra el ciclo formal y continúa su misión directamente en las comunidades, con un trabajo de Promoción Social, buscando un Desarrollo Integral en las comunidades campesinas en diferentes veredas del Valle y en otros departamentos.

En el año 1992, la acción del IMCA se centra en el desarrollo local a través de un acompañamiento directo desde la familia-finca, comunidades-veredas y las organizaciones, en tres municipios del Centro del Valle y desde allí, se proyecta a una expansión a municipios vecinos. A finales de esta década, por la agudización del conflicto interno armado en la zona de trabajo se hace un acompañamiento a la población en situación de desplazamiento forzado.

Ya desde el año 2004 en adelante, se afianza un enfoque de Desarrollo Regional Sostenible - DRS con proyección departamental y nacional, expresada en la Visión o en el sueño al 2012, de tener en el Valle del Cauca en proceso, una propuesta de DRS, donde diversos actores aportan a la reconstrucción de tejido social y a mejorar las relaciones armónicas entre naturaleza, cultura y sociedad.

Como objetivo mayor, la Misión del IMCA es contribuir con un enfoque de sostenibilidad, en conjunto con diferentes actores de desarrollo, con proyección regional y nacional a la construcción y consolidación de propuestas alternativas de vida y de tejido social, en el cual privilegia la Sociedad Rural Campesina.

QUÉ BUSCAMOS CON EL DESARROLLO REGIONAL SOSTENIBLE COMO APORTE A LA PAZ ?

La globalización de la economía protegida con tratados internacionales que se realiza entre desiguales, donde las multinacionales se mimetizan y se excluye la participación de la sociedad haciéndose con el apoyo militar y de los medios de comunicación masiva, con el fin de proteger los capitales y sus intereses, es otra amenaza más de los centros de poder para someter las pueblos de toda la tierra, pero en especial a los pueblos que nos denominan "el tercer mundo".

Sin embargo, la globalización vista desde otro punto de vista, para nosotros es también una oportunidad para construir desde las distintas formas de solidaridad humana, nuevos postulados alternativos de desarrollo humano, restablecer y fortalecer relaciones equitativas,

de justicia, de confianza y transparencia y definitiva seguir poniendo las bases de "otro mundo posible" como se expresa desde el Foro Social Mundial de Porto Alegre. Nuestra misión en definitiva, al igual que las cooperativas o las organizaciones de campesinos es buscar formas de asociatividad y de articulación donde las personas y las comunidades sean el centro de los proyectos.

Con esta propuesta de Desarrollo Regional Sostenible – DRS, en el Centro del Valle del Cauca y particularmente en 13 municipios de la región, buscamos desde lo cultural, social, económica, político y ambiental, teniendo como núcleo central la dimensión de sentido que hemos denominado espiritual y que va desde lo personal, familiar, comunitario, organizativo, social y público, aportar de manera integral a un proyecto de paz y de convivencia. Paz entendida también como justicia social.

Trabajamos con 25 organizaciones campesinas de diverso tipo que incluyen 750 familias para una población de 3.750 personas de las cuales 2060 son mujeres. Entre ellas, las mujeres sin duda han marcado y orientado procesos de desarrollo con resultados sorprendentes de reconocimiento, fraternidad y valoración, que hacen restablecer confianza y equidad en las familias, organizaciones y comunidades.

Todo esto lo hacemos en equipo y en alianzas con las organizaciones campesinas y algunas instituciones y ONGs, con las que compartimos la visión de fortalecer la Sociedad Rural Campesina en una perspectiva de sostenibilidad en la región del Centro del Valle Cauca.

De esta manera, nuestra contribución a la paz del país y de la región, se centra en tres grandes estrategias:

1. *Reconstruir el Tejido Social y Contribuir a la Democracia*—Fortalecer las organizaciones campesinas y sus procesos de articulación, estableciendo a su vez, alianzas estratégicas con otros actores de la región, con el fin de lograr mayor cobertura e impacto en nuestro empeño por construir una región sostenible.

2. *Aportar a la Seguridad y Soberanía Alimentaria y Nutricional*—Contribuir a la definición de políticas públicas en el campo de la alimentación y a la vez mejorar la soberanía alimentaria de las organizaciones campesinas y de los consumidores de productos agroecológicos.

3. *Formar para la Sostenibilidad*—Diseñar con una visión prospectiva y estratégica de sostenibilidad, un sistema de formación pertinente, con el fin de contribuir al desarrollo de la región a través de las Escuelas Campesinas y de la dinamización de un plan de pastoral social rural y de la tierra en el Valle del Cauca.

Las organizaciones que acompañamos se fortalecen a través de:

- Talleres, encuentros, intercambio de experiencias, acompañamiento en asambleas, manejo administrativo, análisis de la realidad agraria, etc.
- Realización de ferias y mercados campesinos para establecer relaciones solidarias entre el campo y la ciudad, degustación e intercambio de productos donde se establecen y fortalecen relaciones buscando beneficios mutuos y relaciones de cooperación.
- Identificación, valoración, conservación y uso de los recursos genéticos locales, en especial las semillas como patrimonio de las comunidades en encuentros, jornadas de reflexión y análisis que permiten una mayor conciencia y capacidad de resistencia ante las amenaza de transgénicos, de la sociedad de consumo y los el patentamientos privados.
- Promoción de la soberanía alimentaria: producir, consumir y mercadear agroecológicamente lo que es posible en lo agrícola, animal, ornamental y forestal.
- Buscar la conservación de las micro cuencas.
- Desarrollar las Escuelas campesinas siguiendo la metodología de campesino a campesino donde los y las participantes seleccionados por las organizaciones, en el proceso de formación de dos años, se constituyen en promotores locales de desarrollo sostenible.

Los principios metodológicos son:

- Dialogo de saberes,
- Campesino a campesino,
- Aprender haciendo,
- Enseñar mostrando, y
- Experimentación y validación campesina.

Este proceso de DRS contribuye a fortalecer formas alternativas de solidaridad entre las comunidades y de estas con otros sectores de

la sociedad y se enmarca a nivel nacional en el "Mandato Agrario " firmado por mas de 75 organizaciones y promulgado en el Congreso Nacional Agrario realizado en Bogotá en Abril del 2003 donde se movilizaron mas de 5000 personas; y por el documento "La Tierra un Don de Dios. Por una Pastoral Rural y de la Tierra" declaración de la LXXV Asamblea Plenaria del Episcopado Colombiano del 2003 que orienta la labor a seguir en la pastoral rural de la iglesia en Colombia.

FATHER ALFREDO FERRO M S.J.

Sustainable Development as a Contribution to Peace in the Cauca Valley, Columbia

This paper is about the contributions of the Mayor Campesino Institute (IMCA) towards peace in Colombia, a country stricken by violence. It is framed within a focus on sustainability, in which the economic, environmental, cultural, social, political, and spiritual dimensions are integrated as fundamental components in a holistic development process.

To begin my report, it is good to position our experience geographically, mentioning some general aspects of the reality of life in Colombia, this will help facilitate an understanding of our project. Later, I will present the institutional identity and the proposal for a Regional Sustainable Development Plan. It is being carried out together with other strategic players and highlighted by the practices of the campesino organizations that we are associated with.

LOCATION

The IMCA[1] is located in the municipality of Buga, in the Cauca Valley of Colombia, South America.

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[1] The IMCA can be located at: Carretera Central Salida Sur. Apartado Aéreo 5116, Teléfono 02 2286134 - Fax 02 2287230. E-mails: dirimca@ert.com.co

General Aspects of the Colombian Reality

COLOMBIA   Colombia is an ethnically diverse and multi-cultural country with more than 41 million inhabitants, of which 25% live in rural areas. We have a large number and variety of climates and eco-systems that offer rich biological diversity, abundant tropical fruits, unique and useful plants, mammals, fish, insects, ornamental and medicinal flora, hardwoods, alternative forage, etc. The country has been and continues to be a storehouse of genetic resources. We have great hydraulic potential, with two coasts and a large quantity of fresh water in our mountains and valleys, among other riches.

Our rural population is comprised of indigenous people, people of African descent, and mixed-race campesinos, who have contributed and can contribute economic, cultural, environmental, social, and spiritual benefits to the country and humanity, but who at the same time need to be taken into account and empowered.

While Colombia is a country with great potential, it suffers from a great injustice, fundamentally due to the increasing concentration of land and wealth in fewer hands.[2] A trend that is multiplied by an unresolved internal armed conflict of more than 50 years of violence that further deepens the internal wounds and profoundly affects the countryside.

We attend, sometimes helplessly, the silent deaths and the massacres of innocent men and women, the result of confrontations between armed participants in a war that has also produced the forced displacement of more than 3 million people in the last 10 years. In the last few decades, this armed conflict has crossed paths with narco-trafficking and administrative corruption, protected by particular interests inside, and outside, the country.

We recognize the loss of identity, one's sense of belonging, and our cultural roots. We see the values and ethical principles abused daily by a neoliberal system, where the centre is the individual - a mere object of consumption. We are losing both an historical perspective and the possibility of building a humane, decent, and supportive future.

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2 Colombia, with an agricultural area of more than 60 million hectares of land, has an acute conflict over the use and specialization of the land. While 4 million hectares are used for agriculture, the potential is 9 million. At the same time, 45 million are used for extensive livestock, while the potential is less than 20 million. On the other hand, there are more than 1,500,000 campesino families without land. *Cuadernos Tierra y Justicia*.

Over the past 10 years, Colombia has lost its role as a country that produces food for export and local consumption. Before the economic liberalization promoted by president Cesar Gaviria in 1993, Colombia imported 700,000 tons of food. By 2004, it was importing more than 8 million tons. With this change has come the loss of the food base and the capacity to produce one's own food, moving instead to extensive cattle farming and large monocultures, which have huge environmental impacts and have impoverished the population. On the other hand, we suffer from the politics of foreign dependence through debt. We spent 50% of the GDP on interest payments alone. All these policies happen with the support of the current government (re-elected in the month of May 2006), and in the interest of particular groups, and are not for the benefit of national interests, nor the benefit of communities.

Our education and the technology provided by institutions within the educational sector, where the dominant focus is industrial-urban development, in no way favours human development - much less campesinos and rural communities. Unfortunately, our youth, for the most part, have lost their historical reference and it is difficult for them to dream of a positive future. This is difficult when youth are faced with such an adverse context and they are being drawn into a society that promotes consumerism and an existence that derives meaning through easy money.

Everyday, the impoverishment and exclusion of the communities, campesinos, indigenous peoples, and people of African decent grows worse. According to official data in Colombia, 60% of the population is living in borderline poverty (incomes of less than two dollars per day) and of these, 9 million are living in poverty. In the rural population, it is estimated that 82.6% are living below the poverty line and 40% of these are living in dire poverty.[3] There is 11% unemployment and 40% underemployment in the economically active population.

CAUCA VALLEY   The region in which our institution is located is in the centre of the Cauca Valley in the southern portion of the coun-

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3 Secretariado Nacional de Pastoral Social Colombiana. Si quiere la Paz, trabajo por la justicia. 3rd. Working paper. III Congreso Nacional de Reconciliación .

try. It has a population of 538,875 inhabitants and an area of 5,791 square kilometers. It rises from 950 to 3000 meters above sea level. The climate varies between hot, mild, cold, and the harsh conditions of the moorlands. In the lowest portion, there is a flat zone dedicated to agro-industrial crops, such as sugarcane. The remaining area is on the slopes of the two mountain ranges (western and central). Extensive cattle ranching is predominant on the lower slopes. In the middle and upper zones of the mountains, it is predominantly crops for the campesino economy, they include: coffee, plantain, yucca, beans, corn, and on a small scale, cattle, pigs, and poultry.

Among our beneficiaries in the campesino economic context are men and women who either do not have land or who have small properties in the mountain zone; others have been forcibly displaced by the conflict. The means of communication are very poor, the production of food has decreased, there is inadequate use of natural resources, there is little institutional presence, organizations are fragile and broken down, and there is a fragmented vision of the local potential on the part of the communities and institutions.

INSTITUTIONAL IDENTITY AND THE REGIONAL SUSTAINABLE DEVELOPMENT PLAN

Identity

The IMCA, founded in 1962 by the "Compañía de Jesús," is a nongovernmental organization, which forms a part of the social work of the Catholic Church of Colombia. The "Compañía de Jesús" makes service to campesino communities a priority.

Brief Historical Summary of the IMCA

The IMCA was founded in the year 1962 by P. Francisco Javier Mejía, S.J., with the purpose of training youth, men, and women in primary level education, co-operative education, agrarian syndicalism, and community organization. It was created so that there would be leaders in the development of their own communities.

In 1978, the IMCA closed its formal programme and continued its mission directly with the communities. Through the work of Social Promotion, IMCA sought a holistic development approach to

158

use in the campesino communities, in different parts of the valley, and in other areas.

In 1992, the actions of the IMCA centred on local development through "direct accompaniment." The work was focused on the family farm, local communities, organizations in three municipalities in the Cauca Valley, and from there, it extended to regions of the neighbouring municipalities. By the end of the decade, because of the intensification of the internal armed conflict in the area where we worked, an escort was provided to people in situations of forced displacement.

From 2004 onwards, a focus on Regional Sustainable Development (DRS) has been strengthened at both the local and national level. This is expressed in the vision for 2012 of having a plan for DRS in place in the Cauca Valley, where different actors support the reconstruction of the social fabric and improved harmonious relationships between nature, culture, and society.

The main objective of the IMCA's mission is to contribute to sustainability, together with different players in development at the local and national levels, towards the construction and consolidation of proposed alternatives for living and an improved social fabric for the Rural Campesino Society.

WHAT ARE WE LOOKING FOR IN REGIONAL SUSTAINABLE DEVELOPMENT AS IT CONTRIBUTES TO PEACE?

The globalization of the economy, protected by international treaties that minimize and exclude the participation of civil society and formed among unequal parties and protected by multinationals (with the support of the military and the mass media), which results in protecting capital and investments, is another threat from the centres of power to subdue the communities of the world - but especially those communities we call the "third world."

However, globalization, as seen from another perspective, is also an opportunity for us to build from diverse forms of human solidarity, new alternative proposals for human development, re-establish and strengthen egalitarian relationships of justice, trust, and transparency, and finally to continue planting the foundations of "another pos-

sible world" as expressed at the World Social Forum in Porto Alegre, Brazil. Our mission, in short, like that of co-operatives or campesino organizations, is to find ways of associating and reaching out in ways that make people and communities the centre of our projects.

With the proposal for Regional Sustainable Development (DRS) in the Cauca Valley area, and in particular, in 13 municipalities of the region, we are looking at development from a cultural, social, economic, political, and environmental perspective that also has as a central nucleus the dimension of the spiritual. This spiritual dimension goes from the personal to the family, community, the organization, the social, and to the public level, to support, through holistic means, a project for peace and co-existence. In other words, peace is understood as social justice.

We have worked with 25 campesino organizations of various types that include 750 families with a population of 3,750 people; of this group 2,060 are women. Among them, the women have, without a doubt, set the framework for the development processes with surprising results of recognition, brotherhood, and evaluation that have re-established trust and equity in families, organizations, and communities.

All of this has been done as a team and through alliances with campesino organizations, some institutions, and NGOs with whom we share a vision of strengthening the Rural Campesino Society for the purpose of sustainability in the region of the Cauca Valley Centre.

In this way, our contribution to peace in the country and in the region centres on three major strategies:

1. *Reconstruct the Social Fabric and Contribute to Democracy:* Strengthen campesino organizations and their ability to have a voice, establishing at the same time, strategic alliances with other players in the region, with the end goal of achieving a greater impact in our pledge to build a sustainable region.

2. *Support Food and Nutritional Security and Sovereignty:* Contribute to defining public policies in the field of food security and at the same time improve food sovereignty for the campesino organizations and consumers of agroecological products.

3. *Training in Sustainability:* Design a vision and strategy for sustainability and a system of appropriate training, with the goal of contributing to development of the region through the campesino schools and develop a plan for social rural teachings in the Cauca Valley.

The organizations that we accompany strengthen themselves through:

- Workshops, seminars, sharing of experiences, attending assemblies, administrative management, and analyzing the agrarian reality.
- Forming open markets and farmers' markets to establish solidarity relationships between urban and rural populations; participating in sample and product exchanges where they can strengthen relationships that are of mutual benefits and establish co-operative relations.
- Identification, evaluation, conservation, and use of local genetic resources, especially heritage seeds from the communities, and, through conferences, discussion groups, and analysis develop greater consciousness and collective capacity for resistance against the threat of transgenetics, over-consumption, and private patents.
- Promotion of food sovereignty by examining areas of production, consumption, and marketing agro-ecological products from agriculture, animal production, ornamental plants, and forestry.
- Finding the means for the conservation of micro-basins.
- Development of campesino schools following a methodology of "campesino to campesino" where participants are selected by the organizations for a two year training process, positioning themselves as local promoters of sustainable development.

The methodological principles for the campesino schools will embrace:

- Learning through dialogue,
- Sharing from campesino to campesino,
- Learning through doing,
- Teaching through example, and
- Experimentation and validation by campesinos.

161

This process of the DRS contributes to the strengthening of alternative forms of solidarity among communities and between communities and other sectors of society. The process was framed at the national level in the "Agrarian Mandate," signed by more than 75 organizations and promoted at the national Agrarian Congress held in Bogotá, Columbia in April, 2003, where more than 5,000 people came together. It is also framed throughout the document "*The Earth is a Gift of God: For Rural Teachings and the Earth.*" (La Tierra un Don de Dios. Por una Pastoral Rural y de la Tierra). This document is the declaration of the LXXV Plenary Assembly of the Colombian Episcopal in 2003 that guides labour to follow in the rural teachings of the church in Colombia.

CO-OPS AND PEACE:

LESSONS FROM ASIA

CHUSHICHI TSUZUKI

Lessons from History: The Case of Japanese Co-operative Peace Fighters

We learn lessons as much from the history of failures as that of success. Japanese co-operators' efforts for the maintenance of peace began with Japan's rise as a modern state in the era of imperialism. For much of this period, Japan fought an imperialist war as a contender in the struggle between the established powers and new nationalist regimes. In its new constitution of 1947, following the end of the war in 1945, Japan renounced war as a means to arbitrate in international disputes and devoted its all to the task of reconstruction as a "Peace State." However, the Cold War susequently pushed Japan into rearmament as an ally of the USA. Hence a dilemma arose that now invites a revival of new nationalism.

Criticism of war was rare in Japanese history until about the turn of the 20th century. At the time of the Russo-Japanese war, in 1905, a small number of socialists vigorously opposed the war, pleading for working-class fraternity. Kanzo Uchimura, a graduate of the Sapporo Agricultural College and an independent Christian, was called

"the first Japanese pacifist."[1] For a while, he worked with the social-ists, denouncing war. At Sapporo, he became schoolmates with Inazo Nitobe, and here we come to our subject of "co-operative fighters for peace." Co-operators are, by definition, peace-fighters or peace-seek-ers who would endeavor to avoid conflict by extending the areas of mutual co-operation. Before 1945, co-operative peace fighters met enormous difficulty in the face of mounting pressure from the mili-tary and extreme nationalists. The atomic bombing in which hun-dreds of thousands of people perished at Hiroshima and Nagasaki was inexcusable, even if it was meant to hasten the ending of a war. The pacifist co-operators placed a special emphasis on nuclear disar-mament and were able to play an important role in the international co-operative peace movement.

Our post-war success, however, has been modest, considering the continuation of savage wars at one spot or another in the world to-day, and the spread of nuclear weapons and their sophistication, in spite of our repeated protests. We have to explore the causes of why this has been so, why success seems to be ever postponed, by listen-ing to the voice of history and by trying to learn lessons from it.

INAZO NITOBE (1862-1933): JAPAN'S FIRST CO-OPERATOR AND INTERNATIONALIST

Inazo Nitobe, the author of *Bushido* (1900, 1905), is also known for a phrase he coined for himself, "Be a Bridge across the Pacific," show-ing his own determination and mindset when he sat for an interview for the Tokyo Imperial University. He was sent to Germany for fur-ther studies, visited the Raiffeisen Co-operative, and became inter-ested in German idealist philosophy. He distinguished himself as an agricultural economist, and was invited by the governor of the newly formed state of Taiwan to help establish the sugar industry there.

His book, *Bushido* or *The Way of Samurai*, was meant largely to placate Western misgivings about Japan, the rising military power in the East that had defeated Russia in a modern war. Nitobe main-tained that Bushido ("Japanese chivalry") spread among the masses

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1 Carlo Caldarola, *Christianity: the Japanese Way* (Leiden, 1979) p. 171.

and "came to express the Volksgeist."[2] German influence was in as-cendancy and Nitobe himself was of two minds about his earlier liberal Christian belief and the German model of statecraft.

German or Raiffeisen-type co-operatives were introduced by the government under the Industrial Union Act of 1900. Credit unions, sales, purchase, and production unions for small producers grew in numbers under government protection. In December 1909, when a central committee of the Japan Producers Co-operative was formed, Nitobe was chosen as its official adviser. Later he was welcomed to his native prefecture, Iwate, as chairman of the Iwate Central Com-mittee of the Producers Co-operative. His association with co-op-eratives was further strengthened when he wrote an article entitled "Social Co-operation" for a branch of the movement, advocating in it the spread of internationalism and the making of a decent society through co-operatives.[3]

He was then a full professor of the Tokyo Imperial University, and when the League of Nations was started at the end of the Great War, he was chosen as one of five Under-Secretary Generals to live in Ge-neva. In 1929, he accepted another responsible position as director of the Japanese branch of the Institute of Pacific Relations (IPR).[4] At its conference held in Kyoto in October 1929, he gave an opening speech expressing his pleasure at the prospect that the Pacific lands were to present the stage on which all the races and cultures would meet.

> *The East and the West are coming together after a long separation...*
> *The old notion of nations as fighting units or commercial rivals is*
> *being discarded. There can be emulation without fighting, com-*
> *merce without competition, patriotism without jingoism.*

The next IPR conference was held in Shanghai in October 1931, only a month after the Liutiaokou or Manchurian Incident, a framed-up case of sabotage engineered by the Kwantung Army officers.[5] At the

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2 Inazo Nitobe, *Bushido: the Soul of Japan* (1900, 1905) p. 164.
3 E.Uchikawa, *Nitobe Inazo: The Twilight Years*, Translated by M. Newton (Tokyo, 1985) pp. 60, 83.
4 IPR was founded in 1925 at Honolulu, an offspring of YMCA, and wound up in 1961. The Japanese branch was started in 1926, but practically withdrawn by 1938.
5 A successful plot to blow up the railway near Mukden or Shenyang and to blame the Chinese soldiers for the sabotage, as well as launch an attack on the Chinese barracks near-by,

conference Nitobe, who had accepted a fictitious official account of the origin of the "incident," emphasized the importance of "a correct mutual understanding between China and Japan," a difficult task as it soon turned out. In fact, he began to be harassed by the extreme nationalists at home.

In 1932, he left for America to try to build a bridge across the Pacific, his mission being to placate public opinion in America on the grave situation in the Far East. His American friends, who knew him as a Quaker (his wife was an American Quaker) and a friend of the League of Nations, were sorry to find him quoting Woodraw Wilson's principle of national self-determination to justify the setting up of a puppet state in Manchuria. Nitobe made his last attempt to build a Pacific bridge in August 1933, when he left for Canada to participate in the IPR conference held in Banff. In his address to the conference, he insisted that Japan's looming withdrawal from the League did not mean her withdrawal from the family of nations, but he met a cold reception.[6] Then his health deteriorated, and he died in a hospital in Victoria, British Columbia, on October 19, 1933. Japan had left the League earlier that year.

Nitobe sought to be an internationalist as his remarks in Kyoto indicated, but he himself was a samurai committed to the samurai version of Volksgeist, and, as such he identified himself with the fate of the state as he saw it. His internationalism was a dilemma and he became not an apostle for peace, but like many other well-meaning liberals of his day, he ended his career as an appeaser, an apologist for Japan's expansionist policy in China.

TOYOHIKO KAGAWA (1888-1960): WORLD PEACE AND CO-OPERATION

The cause of the common people made rapid progress during the decade after the Great European War, in which Japan, as an ally enjoyed the fruits of victory, a rise of democratic sentiments at home, and territorial acquisitions abroad. Trade unions, peasant unions, consumer, and producer co-operatives began to attract attention, and it was in

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marked the beginning of war on China.

6 Thomas W. Burkman, "The Geneva Spirit," John F. Howes (ed.), *Japan's Bridge across the Pacific* (Boulder: Westview Press, 1995) p. 206.

promoting these causes that Toyohiko Kagawa, who was to become the founder of the Japan Consumers' Co-operative Union, made his first appearance as an advocate of social reform. Unlike Nitobe or Uchimura, both sons of samurai families, Toyohiko was born to a humble wedlock between a Kobe merchant and his geisha lover. Two American missionaries taught him English, and made him a devoted Christian. In 1906, when he was a student at the Meiji-Gakuin College, he wrote a series of essays on "World Peace" for a local newspaper at a time when a jingoist fever had risen high at the end of the war with Russia. He looked forward to "a new society of social reform and unionism" in which wars of money and competitive struggle, to say nothing of wars of the sword, would be abandoned.[7]

In 1919, after ten years of living among the poorest workers in a Kobe slum where he had been preaching the Christian gospel, Kagawa wrote, "The worker knows what human dignity is." On his return from America (where he had studied at Princeton Seminary) he worked for the Kobe branch of the Yuaikai, the first enduring trade union in Japan, at the time when the Yuaikai itself developed into a militant organization. At its annual meeting in 1920, a clash of opinions took place between the Kanto (Tokyo-Yokohama) group and the Kansai group (Osaka-Kobe), the former inclined to anarcho-syndicalism and the latter, under Kagawa's leadership, upholding the cause of non-violence. His advocacy of "resistance through non-resistance" was voted down, amidst derisions and abuses,[8] an experience that left its mark on his work throughout his life. At the great shipyard strike at Kobe in 1921, Kagawa marched at the head of 30,000 workers, emphasizing in his speech the right of labour to organize and negotiate is necessary for the achievement of industrial peace. He pleaded for a "producers' assembly" in the manner of "Guild Socialism." The Kobe Co-operatives, started by Kagawa in 1920 as a co-operative society for the dockworkers, developed into a full-fledged co-operative union on principles borrowed from the

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7 Toyohiko Kagawa, *Chosakushu (Works)* (Tokyo, 1964, 1982) 468f; Robert Schildgen, *Toyohiko Kagawa* (Berkeley: Centenary Books, 1988) p. 29; George B. Bikle Jr., *The New Jerusalem: Utopianism in the Thought of Kagawa Toshihiko* (Tuscan: U. of Arizona Press, 1976) p. 42.

8 Mikio Sumiya, *Kagawa Toyohiko* (Tokyo, 1966) p. 100.

Rochdale Pioneers. Kagawa was "a master publicist" and "artfully developed what we now call charisma."[9]

Kagawa welcomed the League of Nations and wrote in his newspaper, "Workers, stand up. Your sun is now rising."[10] "The Japanese, you should emancipate yourself from the sword, secret diplomacy, warships, territorial ambition, and false history. How long will you go on worshipping the military sword?"[11]

Co-operatives themselves were in danger of being hijacked by extreme nationalists. A great majority of Japanese co-operatives of the pre-war days were state-sponsored, German-type unions, called Sangyo-kumiai or industrial unions of small producers. Under government protection, their numbers grew to a membership of over three million in 1928 and they became a vehicle of domestic control by the militarists when their time came.

Kagawa was one of the very few who criticized the military for its aggressive acts at the time of the Manchurian Incident of 1931.[12] He still retained hope for peace through co-operation. He believed the local co-operatives should set an example for global co-operation. As late as 1935, he was able to publish a booklet entitled *Can We Prevent War: Co-operative Work for World Peace* in which he emphasized that the League of Nations should organize a world economic league. He advocated setting up of an international credit bank and promoting an international trade co-operative like the one dealing with agricultural products between Britain and Denmark. He added this could be applied to trade between Japan and China.[13] Kagawa soon began to explain his co-operatives in terms of the communal spirit of the divine land of Japan. Labour and peasant unions he had helped to establish, and many of the Christian churches where he had preached peace, fell into line with the national efforts for war. He himself was drifting towards the patriots' position, echoing their rhetoric about the emperor.

In the spring of 1941, he was one of the five members of a Japanese Christian Delegation sent to the USA to confer with a group

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9 Schildgen, *op. cit.*, p. 153.
10 Shin Kobe (Jan.1, 1919).
11 *Ibid.* (22 Aug. 1918).
12 Chushichi Tsuzuki, *The Pursuit of Power in Modern Japan* (Oxford, 2000) p. 219.
13 Kagawa, *Works*, X, p. 292.

of American church leaders on a formula for peace between the two countries. The conference, however, accomplished little other than a general declaration of fellowship between the Christians of the two countries. He did not believe in war, and yet found himself supporting Japan's war efforts. He was even involved in war-time propaganda radio broadcasts for the Japanese government.[14] He was seen portraying Japan as the hero of a war of liberation for Asia, and in the "*Co-Prosperity Sphere*" as a means of securing Asia from western imperialism. He rarely thought of Japan as another imperialist power seeking to replace the Europeans.

Again, it was characteristic of him that when Japan surrendered he took an active part in a movement for the repentance of the whole nation for their failings in supporting the emperor.[15] The first sermon he delivered at his church after Japan's surrender was on "World State," emphasizing a "spirit of mutual yielding and concession." No sooner was peace restored, than it was threatened by the Cold War. "Redemptive Christianity is in opposition to Communist Imperialism," he declared.[16] Kagawa's passionate plea for a world state was not free from an ideological stance that he had retained from the time of his feud with the Marxist leaders of the early labour movement.

For all his arguments that were critical of the Soviet Union, he welcomed Japan's renunciation of war, and attacked Japan's post-war rearmament. In his writings for his journal, *Sekai Kokka* (*World State*), he stated that the best expression of worldwide, human solidarity was the International Co-operative Alliance, and was determined himself to lead Japanese co-operatives.[17]

Kagawa remained a controversial figure. He was a passionate Christian missionary devoted to the welfare of the poor and downtrodden, but was a patriot and a Cold War fighter. He was a candidate for the Nobel Peace Prize, but objection to his candidature was so intense that it had to be withdrawn. He carried on his missionary work till

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14 *Ibid.* 229. See also Yuzo Ota, "Kagawa Toyohiko: a Pacifist?" Nobuya Bamba and John F. Howes (eds.), *Pacifism in Japan: The Christian and Socialist Tradition* (Vancouver: UBC Press, 1979) p. 180.
15 Schildgen, *op.cit.*, p. 245.
16 *Sekai Kokka*, Works, X, (Dec. 1950, Jan. 1951) pp. 405, 407.
17 *Sekai Kokka*, Works (October 1957) p. 447.

the end, visiting the Philippines, Thailand, and Brazil. He died in Tokyo in 1960.

SADAO NAKABAYASHI (1907-2002): BANNING NUCLEAR WEAPONS

It was fortunate for Kagawa that the positive aspects of his message were taken up and developed by Sadao Nakabayashi, who represented the co-operative movement in its heyday in post-war Japan.

Nakabayashi studied at Waseda in the 1920s, and was active in the student movement for lower tuition fees, for freedom of speech, and association. He became a journalist working for the newspaper *Hochi.* Soon the situations drastically changed with Japan's undeclared war against China. In 1938, *Sanpo,* or the Patriotic Industrial Association of Greater Japan, was set up, absorbing all the organizations of the employers and the employed, and Nakabayashi became secretary to its president.

When Japan surrendered in 1945, Nakabayashi demanded *Sanpo* be immediately dissolved and its properties be transferred to a new labour movement. The Americans in the GHQ[18] supported his idea, but actually stipulated the bulk of the properties be given to a new united co-operative movement led by Kagawa. Thus, the Japan Co-operative League came into existence in November 1945, with Kagawa as president, Nakabayashi as a member of the Central Committee, and its headquarters in the Salvation Army office at Kanda (the house where Sanpo was located in wartime). In 1950, when the League reorganized itself into the Japan Consumers' Co-operative Union (JCCU), its new manifesto, in accordance with Kagawa's strong wishes, was declared "For Peace and a Better Life."[19]

Post-war co-operatives assisted workers' strikes and were prepared to take charge of food distribution during a general strike that was

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18 GHQ/SCAP is the abbreviation for General Headquaters, Supreme Commander of the Allied Powers. This was the agency of occupation in Japan following the war. GHQ was established in Tokyo on October 2, 1945. The occupation took the form of indirect rule in which SCAP gave orders to the Japanese government which in turn carried out these directives.

19 Sadao Nakabayashi, *Heiwa to Yoriyoi-seikatsuo Motomete (In Search of a Better Life and Peace)* (Tokyo 1985) p. 11, 14. Nakabayashi played an active role in the preparation of the abortive 2.1 general strike of 1947.

seriously planned for February 1, 1947. Co-ops worked well with trade unions in those days, and set up "labour chests" or workers' credit unions at a time when regular wage payments were not always assured. In September 1954, Tanaka Shunsuke, then the President of the JCCU, made proposals to oppose nuclear bombs, to convene an Asian conference of the ICA, and to promote co-operative foreign trade. This apparently impressed the Soviet delegation, and a co-op trading company was launched, dealing mainly with Russian timbers and Japanese textiles. This was the time when an American hydrogen bomb test in the mid-Pacific in 1954 caused widespread alarm as it affected a Japanese fishing boat as well as the native population near the Bikini atoll. The danger of a nuclear war loomed large and shook world opinion. The first World Congress to ban nuclear bombs was held in Hiroshima in the summer of 1955. The ICA Stockholm Congress (1957) provided the first occasion for Nakabayashi to lead the Japanese delegation and appeal for peace and nuclear disarmament in particular. He was also conscious of a challenge coming from the consolidation of post-war capitalism. At the Lausanne Congress (1960) he emphasized the role to be played by co-operatives in resisting monopoly capitalism that was taking advantage of large-scale marketing in the "*Distributional Revolution.*"

Nakabayashi himself was outstanding in his contribution to the movement for banning nuclear weapons. At its 9th congress, held at Hiroshima in August, 1963, the anti-nuclear bomb movement split over the Partial Cessation of the Nuclear Test Treaty signed shortly before by the US, USSR, and Britain. The Socialist Party and the General Council of Trade Unions set up a new organization to prevent the original movement for banning nuclear weapons altogether. The movement soon showed signs of coming together, especially as the details of the disastrous effects of the Hiroshima and Nagasaki bombs became known through the efforts of specialized researchers, and in this the JCCU took an active part. In August 1977, after a 14 year split, the movement coalesced its forces, and Nakabayashi persuaded the JCCU leadership to back up the peace movement with all its strength. The co-op's new campaign for peace was received favorably by housewives and others who participated en masse in annual peace marches. A culmination of this popular participation in the

anti-bomb campaign came when the second UN Special Assembly for Disarmament was held in New York in June 1982. Some 200 Japanese, mostly co-op women members, joined with delegates from other countries and marched to Central Park where a great demonstration took place. Nakabayashi handed over the signatures of 30 million people for disarmament to Perez de Cuellar, UN Secretary General. This was perhaps the most memorable event in his life, also in the history of the Japanese co-operative peace movement.

shigenori takemoto (1931 -): hiroshima

Takemoto, successor to Nakabayashi as the head of the JCCU, personified Hiroshima and its tragedy. He became a symbol of the anti-nuclear war movement in Japan. Born in Hiroshima, he was a secondary school boy when the "Little Boy" was dropped over the city on August 6, 1945. He came out of this calamity miraculously unscathed. He was very lucky as he was hidden among the shrubs when the bomb was dropped and he did not get wet in the black rain that fell after the explosion. He survived, and was able to hand down his memories of the tragedy of his native city.

In the 1950s, Takemoto, while studying at Doshisha University, in Kyoto, was actively engaged in the student co-op movement. The Japanese economy was going through a period of high economic growth. Takemoto joined the Nada-Kobe Co-op, looking into environmental issues caused by the spread of mass production and consumption, with a particular concern for the safety of food.

The Japanese co-op movement was booming. The membership of the consumers' co-ops made a remarkable increase: it stood at 14,100,000 in 1990, 17,920,000 in 1993, and 21,640,000 in 2002. Takemoto, like his predecessors, devoted himself to the international relations of the co-operative movement. His most notable contribution to the cause of peace was perhaps his little book on Hiroshima, which provided a graphic picture of what had happened to the city on the day of the atomic bombing (a summary translation of which is provided as an appendix to this article). It is an eloquent warning against nuclear bombs, nuclear armament, and nuclear wars.

174

CONCLUDING REMARKS

Our co-operative pioneers endeavored to prevent Japan from slipping into war. Their efforts, however, were not always successful especially in the years preceding the Pacific War. Nitobe was conscious of his role as a promoter of peace, but under the circumstances in which militarism and ultra nationalism began to dominate national life, his effort to try to build a bridge across the Pacific ended up as an attempt for appeasement, a justification of the status quo. Kagawa, a passionate Christian preacher, strove for a peaceful solution of the social, political problems of his day, but reconciled himself with a regime in power rather than emulate Mahatma Gandhi, whom he visited in 1939.[20]

In August 1945, Japan surrendered, and the extent of war devastation was revealed for the first time. The Peace Constitution, though American made, was whole-heartedly accepted by most Japanese, and became a symbol of the post-war democratic Japan. Moreover, peace seemed to guarantee economic recovery of the country. Rearmament began at an early stage, and the US-Japan military alliance was strengthened. Post-war pacifism was directed against this military alliance, and against the continuing threat to the world of a nuclear war.

Socialists once thought they could prevent war by concerted action of the workers across national borders. The Second International (in which the East had little stake, in spite of India and Japan being represented) was a great hope for peace among the European socialists, but it soon became clear that they were more patriotic than internationalist. No serious opposition was made to the Second World War, though tinkering by the League of Nations continued. Human sacrifice was not seriously thought of at the beginning of hostilities, and deplored only when reckonings were made after the war. The Cold War may have been a substitute for a Third World War, from which the US and its allies emerged victorious, but no serious reckonings have been made of its casualties.

The world has become a safer place to live, to the extent that a great war is no longer on the agenda of any country, but we should

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20 Schildgen, *op. cit.*, pp. 212-15.

not forget that the two world wars began as local wars. As co-operators, we should find fields in which we can co-operate with both foes and allies. Our co-operative pioneers placed great value in world government - the UN is nearest to it. We co-operators should promote UN projects for peace.

One of our tasks as co-operators is to humanize capitalist globalization, perhaps a long-term project. In the meantime, we should cope with a war or the threat of it in regional, national, and international fields. Appeasement does not help. We have to be able to criticize ourselves and our friends as much as our opponents, and listen to their complaints. We have to rise above narrow confines of ideologies, rise above races, nations, religion, and culture. We are all people, the same people. With Thomas Paine we would say, "The world is my country, and to do good is my religion."[21]

appendix one: the boy takemoto picks tomatoes for his dying sister, hiroshima 6th august 1945[22]

Hiroshima had been an important army base in Japan's modern wars, sending out men, horses, and fodder to the front, with the largest naval port of Kure to the east. Hiroshima, unlike other major cities that had been devastated by aerial bombings, had been kept almost intact until August 1945. On the morning of the 6th of August, with a cloudless blue sky above, in the intense heat of the sun, 150 boys of his school assembled in front of the municipal office at 7:50 a.m. and moved to a place 400 meters south-east from there to help with the work of demolishing houses in the zones designated for stopping the spread of possible fires due to incendiary bombs. Takemoto was in this group, but his teacher, pitying his bandaged foot injured the previous day, ordered him to return to the municipal office to watch over the boys' lunchboxes left there. Pikka! Do-on! It was 8:15 a.m. A deafening sound and dazzling light overwhelmed him. He fell among the shrubs and lay unconscious. He opened his eyes, saw the blackened sky, and thought the giant tank of the Hiroshima Gas Company had exploded. A number of people screaming ran out of

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21 The Rights of Man, Part II.
22 From Shigenori Takemoto, *Saigo-no Tomato* (The Last Tomatoes) (Chichi Publishers, 1997) abridged and translated by Chushichi Tsuzuki.

the municipal building, and a number of people treaded in the direction of the same building, their bodies stuck with glass splinters and bleeding not red but black. An old woman taking a little child's hand began to pray: Namuami Dabutsu (Please Amida). He too clasped his hands and prayed, "God! Please Help!" All at once a sense of tremendous fear overwhelmed him.

As soon as he came to his senses, he thought he should walk east through the fire. He felt he might be able to escape to open ground at the eastern end of the avenue with his sister Reiko who was employed at an office on the way. He saw streetcars and houses knocked down and smashed flat. A fire in the east forced him to turn south. A fresh fire started in the south; many people descended like an avalanche towards him. He now decided he must go through the fire.

He led two naked boys who clung to him, peeled skin hanging down. A middle-aged man standing near a pumping well asked him to draw water, for he could not see. His face was split in two, one side looking towards him with an eye in which blood was streaming. While Takemoto drew water for him, the two boys disappeared. He felt it was evening, but actually it was still in the morning. The sight he saw was extraordinary. From the ground up rose clouds in red, black, and purple as they rose higher they formed a gigantic column, the higher the thicker. He did not know then that this was the deadly mushroom cloud of the atomic bomb. It was dark because he was in the shade of it.

Air-raid sirens gave out an alarming and frenzied sound all the time. Enemy planes from a carrier flew low and machine-gunned again and again, so close that one could see the face of the pilot who aimed at men on the ground. Bullets flew past him. He moved on. He crossed one bridge and came to the main river, River Ota, which was overflowing with people who could not move. He waded across the river, shouldering a friend whose face was swollen twice its size, and carried him to the army hospital full of badly injured people.

Then he crossed two more rivers. It was after six o'clock in the evening. Treading along a crowded street he met his father, who was on his way to search out his daughter. He eventually found her, tied her to a bicycle, and returned late at night. She had three gaping holes on the scalp and did not look like a human. His father told him to

pick tomatoes in the garden behind the house, squeeze them, and let the daughter taste the juice. The girl drank it, saying it's good. She regained strength a little, but died the next morning. The city of Hiroshima went on burning for two weeks. Dead bodies were seen everywhere, emitting the smell of death. People searched for their sons, daughters, parents, brothers, and sisters. All the rivers were covered by the dead bodies and burned woods. The tide carried the bodies up and down the water.

AKIRA KURIMOTO

Peace & Co-operation: Reflections on the Endeavors of the Japanese Consumer Co-operative

Peace has been a state of affairs that has been longed for throughout human history - at least as a principle. It is literally a situation, or time, in which there is no war or violence in a country or an area. However, it can contain several kinds of implications. It is the state of living in friendship with others without serious conflicts. In international relations it means a good-neighbour policy. Further, it can be extended to solidarity with the most disadvantaged and deprived people, especially women and children in developing countries, who are suffering from famine, diseases, and violence.

All these elements of peace matter to co-operatives and co-operators. Peace is a prerequisite for existence and co-operation. So co-operators have ample records of endeavors for peace. The Japanese consumer co-ops have made concerted efforts to mobilize public opinion to eliminate nuclear weapons (nukes) and give relief to hibakusha (A-bomb survivors). They have also continued to organize exchanges with Asian neighbours and do fundraising for UNICEF since the 1980s. Times have changed and the heat of the peace campaigns of the 1980s seems to have gone forever, although there exists

even bigger, but different, problems such as proliferation of nukes, lingering ethnic and religious conflicts, endless war against terrorism, growing gaps between the rich and the poor, unsustainable consumption of fuel and water, and so on. Apparently we are facing new threats and need to make new approaches to them. But it seems worthwhile to keep records, to reflect on our recent past, and draw some lessons for better planning in the future.

This paper introduces the socio-political context of peace as a background and analyses why peace became a major concern to Japanese co-operators. Then it will describe co-operative actions for peace and co-operation in three dimensions: mobilizing public opinions against Atomic & Hydrogen (A & H) bombs, building trust with neighbours in Asia, and reaching out to children in the third world. Finally it will reflect on the lessons to be drawn from these experiences.

BACKGROUND OF PEACE AND SECURITY AS DIVIDING ISSUES IN JAPANESE POLITICS

To understand the background of peace and security we have to go back to the history of World War II. A large number of Japanese people had suffered from mass destruction by atomic bombs in Hiroshima and Nagasaki, which caused an unprecedented massacre, comparable to the holocaust in Auschwitz. Hundreds of thousands of people were killed by the explosion and tens of thousands of hibakusha suffered from its aftermath for more than 60 years. At the same time, Japan brought massive destruction to her neighbours through invasion and occupation in a large part of east/southeast Asia and Pacific islands. Officially peace treaties dissolved the legal claims, but there still exist distrust and conflicts between Japan and its neighbours, particularly China and Korea.

Japanese politics have been split on peace and security issues throughout post-war history. After the Japanese surrender in 1945, the nation, under the US occupation, had to choose between the Western alliance and becoming a neutral state. These competing political stances were characterized as "conservatives" or "progressive" by the media and both camps accepted such labels. The former want-

ed Japan to belong to the Western Bloc and gain independence by a partial peace treaty with it. The latter wanted the nation to be neutral and become independent through an overall peace treaty, including the Eastern Bloc. The increased tension between the two blocs culminated in the civil wars in China and Korea, which gave decisive weight to the American stance of Japan shifting from demilitarizing to remilitarizing as a "defense wall against communism." The Self-Defense Force (SDF) was created in 1950 and built up year by year to strengthen its military capacity. Finally, Japan was enclosed in the Western Bloc when 49 countries, except socialist countries, signed the Treaty of Peace with Japan in San Francisco in 1951 and immediately the Japan-US Security Pact was concluded. The Japanese political system was also crystallized by the formation of the Liberal Democratic Party (LDP) and the Japan Socialist Party (JSP) in 1955. Since then a post-war political regime emerged in which

TABLE 1. CONTESTING VIEWPOINTS REFLECTING THE COLD WAR RHETORIC

CONTESTED ISSUES	CONSERVATIVE	PROGRESSIVE
Maintaining/strengthening Japan-US military alliance	yes	no
Maintaining/strengthening US military bases	yes	no
Financial support to US bases	yes	no
Revising the Constitution Article 9 banning arm forces	yes	no
Maintaining/strengthening SDF	yes	no
SDF's participation in the UN's PKO or overseas deployment	yes	no
Worshiping Yasukuni Shrine enshrining war criminals	yes/no	no
Strict observance of three non-nuclear principles	no	yes
Compensation to hibakushas	no	yes
Compensation to overseas war victims & "comfort women"	no	yes

almost all issues listed below have been contested by two confronting camps; the conservative majority (representing 70% of the votes) sought to build up military capacity, in line with US policies, while the progressive minority (representing 30% of the vote) has resisted this approach, often sympathizing with socialist regimes. The former ignored or showed hostility to anti-nuke campaigns as a leftwing maneuver, while the latter promoted them as a peace-loving popular movement. Thus, the arguments have been largely influenced by the Cold War rhetoric.

When the Cold War suddenly ended, the Japanese political system became fluid; the opposition took power when the LDP lost the general election in 1993, the JSP experienced historic decline and political parties experienced repeated alliances and ruptures. Even though the basic mindset of confrontation remained intact, such a socio-political context made the people sensitive to peace.

WHY PEACE AND CO-OPERATION BECAME A MAJOR CONCERN TO THE JAPANESE CO-OPERATORS?

Co-operators have a general preference for peace since co-operation is often seen as opposite to conflict or competition. Before the 1st World War there had been serious efforts among co-operators in confronting nations to avert war and to remain in contact even during the war. But during the Cold War era the concern for peace was undermined in most developed countries as people enjoyed the economic boom and a steady improvement in living standards. The Japanese co-operators were one of a very few exceptions. They promoted the peace campaigns against the A & H bombs, encouraged the international exchanges with counterparts in neighbouring countries, and fundraised for UNICEF since the 1970s. There were some sporadic efforts, such as groups named Co-operators for Peace in the US, the UK, and Sweden in the 1980s, but they did not achieve the same magnitude or level of organization. Why did it happen? There are several reasons.

First of all, there were shared sentiments against war and a wide consensus against nukes. A large number of Japanese people had suffered from the massive destruction caused by air raids and atomic

bombs during WW II. They lost life and property in their home-land and in the new territories obtained through annexation and occupation. Therefore, the first half of Article 9 of the Constitution, renouncing war, was supported by most of the Japanese people, while the latter half, forbidding the development of an armed force, was the subject of controversy.[1] The slogan "No more Hiroshima, no more Nagasaki" was accepted by the majority of pre- and post-war generations as a national aspiration and it became the backbone of the Japanese peace movement. Even the conservative government declared three non-nuclear principles (no possession, no development, and no deployment of nukes) although it took the American nuclear umbrella for granted. Such antiwar sentiments, widely shared among Japanese people, have supplied energy to co-operative peace campaigns.

Secondly, co-op members expressed their aspiration for peace and expected co-ops to propose actions. Since the 1970s, the majority of co-op members have been women. They have been concerned with the disastrous outcomes of war although most of them belonged to the post-war generations. They were taught the value of democracy and peace in school and they were interested in learning about social problems, including the reality of wars, conflicts among nations, and poverty in the developing countries. In particular, they were anxious about the possibility of incidental nuclear wars and escalating nationalism. In addition, they had great sympathy for children in the developing world (i.e., the lack of clean water, food or medicine etc.) as they were rearing their own children. So they responded positively to the JCCU's call for action.

Thirdly, Mr. Sadao Nakabayashi took an initiative as the JCCU President during 1971-1985. Since he proposed the Peace Resolutions at the ICA Congress in 1957, he had acted as an ardent promoter of peace and international co-operation within the ICA. In the midst of the Cold War during the 1960s and 1970s he defended the ICA's unity, criticizing Cold War rhetoric voiced by both camps.

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1 Article 9. Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes. In order to accomplish this aim, land, sea, and air forces, as well as other war potentials, will never be maintained. The right of belligerency of the state will not be recognized.

From 1977 onward, he devoted his life to promoting the unity of the Japanese peace campaigns and popularizing them among civic organizations. He played a pivotal role in involving co-ops in the peace campaign strategy and he encouraged co-operators to participate from the locus of daily life. He also took an initiative to form the Civic Coalition for Peace and led the Japanese NGO delegation to the UN General Assembly Special Sessions for Disarmament (SSD) in 1978, 1982, and 1988. As such, he has been known as a Peace advocate within the ICA and among Japanese NGOs.[2] When the JCCU was designated as a UN Peace Messenger in 1988, the then JCCU president, Takamura, attributed it to Mr. Nakabayashi's leadership.

MOBILIZING PUBLIC OPINIONS AGAINST A & H BOMBS

During the mid 1970s, the planned deployment of cruise missiles in Europe triggered opposition among people and led to the explosion of anti-nuke campaigns against it. The surge of worldwide peace movements gave support to the UN, which convened the SSD. This gave the Japanese peace movement an opportunity for revitalization and consolidation. Mr. Nakabayashi led the non-partisan citizen's coalition with hibakusha groups, women's organizations, youth bodies, and religious groups who were not affiliated with the existing peace organizations in 1977.[3]

Founding Period (1945-1953)
The first congress of the JCCU in 1951 adopted the Founding Declaration announcing "Peace and a better life is an ideal of consumer co-ops and it is our utmost mission at present to realize this ideal." It also adopted the Peace Declaration insisting, "the working masses' right for a secure life can never be accomplished without a secured peace. To accomplish this purpose, the ICA always urges the worldwide co-operators to take action for peace and seek to establish a peace economy." These statements were made in response to the

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2 Sadao Nakabayashi, *For Peace and a Better Life* (Co-op Publishing Inc., 1985).

3 Iwadare compiled a chronology on the consumer co-op's involvement in these peace campaigns in four separate periods. Hiroshi Iwadare, "Consumer Co-op's Peace Movement" in Annals of Robert Owen Association, No. 29 (2004).

increased tension surrounding Japan, such as, the outbreak of the Korean War, the creation of SDF, and the Red Purge. The then JCCU president, Kagawa, took the initiative in formulating these statements.

Pre-surging Period (1954-1976)

Japanese fishermen and residents of Pacific islands were exposed to radioactive fallouts resulting from the US nuclear tests in the Bikini Atoll in 1954. This was a third sacrifice after Hiroshima and Nagasaki, and triggered anti-nuke sentiment among citizens. The Suginami Council against Hydrogen Bombs was founded as a non-partisan coalition involving a wide range of organizations, including the Women's Council of Consumer Co-ops in Suginami Ward, Tokyo. The signature collection spread throughout the country and the 1st World Conference against A and H Bombs was held in Hiroshima in 1955. Gensuikyo (the Japan Council against A and H Bombs) was established as a national coalition body involving trade unions, women's and youth organizations, and co-operatives. Although the movement was uplifting during 1955-1960, a serious split of opinions on nuclear testing in the socialist countries arose between JSP and JCP (Japan Communist Party). The JSP and the Trade Union Congress withdrew from Gensuikyo and created Gensuikin (Japan Congress against A and H Bombs) in 1965. This situation hampered the consolidation of the potential antiwar sentiment among people. As such the peace campaigns conducted by activists in each camp had only limited impact on wider public opinion.

Surging Period (1977-1996)

In 1977, the leaders of both coalitions agreed to organize the uniform World Conference against A and H Bombs in August and to unify the organizations toward the end of that year. This agreement was achieved by grassroots pressure for the unity of the movement and reflected the worldwide surge of anti-nuke movements. It opened a great opportunity for many citizens to take part in the peace campaigns irrespective of their ideologies and religions. The consumer co-ops played a very important role in mobilizing public opinions among consumers and in acting as a cementing agent in peace campaigns.

The JCCU appealed to consumer co-ops to take part in the Peace Rallies and "Co-op Actions for Hiroshima and Nagasaki" from 1978 onwards. This appeal was well received by co-op members and more than 45,000 members, often accompanied by their children, joined successive marches from Tokyo to Hiroshima and to Nagasaki during May to August every year in the 1980s. These marches culminated at Co-op Gatherings in Hiroshima and Nagasaki in August where around 6,000 members took part. Co-op members and their children took part in the study tours to Hiroshima and Nagasaki. Later, Okinawa was added as a destination. Okinawa was the sight of a particularly fierce battle towards the end of the war and after the war most of the US military bases were located there. Organized photo exhibitions showing the destruction and suffering caused by the atomic bomb in Japan were mounted in co-op premises and the public sphere. The JCCU co-ordinated these events but spontaneous efforts of members were also made. These activities included listening to survivors and keeping records of their experiences during the war, study circles on wars, film showings, and so on. All these activities resulted in raising awareness on the reality of wars and mobilizing public opinion at the grassroots level against war.

The JCCU played a pivotal role in creating the Citizen's Coalition involving the National Federation of Regional Women's organizations, Japan Youth Bodies Council, Japan Confederation of Hibakusha Organizations (Hidankyo), and religious NGOs. These civic organizations joined hands with Gensuikyo and Gensuikin to establish a united organizing committee for the World Conference against A and H Bombs after a 14 year break. Together they organized the conferences in Hiroshima and Nagasaki and coordinated the united NGO delegations to the SSD in New York. In these joint efforts, the JCCU was a major actor in terms of finding participants, signatures, and financial support. Mr. Nakabayashi demonstrated eminent leadership in maintaining unity in the movement and had an opportunity to make a speech to the UN General Assembly in 1988 representing the Japanese NGOs.

However, Gensuikyo and Gensuikin continued to differ and finally split again in 1986. After that, the JCCU concentrated in promoting peace campaigns among co-ops and civic organizations. One

of these efforts was the World Court Campaign for questioning the legality of nukes. JCCU collected more than 3 million signatures to bring to the International Court of Justice (ICJ). It subsequently published an advisory opinion to the UN in 1996 stating, "A threat or use of nuclear weapons is contrary to the principles and rules of international humanitarian law."

Post-surging period (1996-)
The overall peace campaigns took a downturn in the 1990s, although strong protests were voiced in every corner of the world against the US-led anti-terrorist wars in Afghanistan and Iraq. The end of the Cold War drastically reduced the tangible threat of nuclear war and weakened concerns about A and H bombs among the general public. Japan was no exception and the peace campaigns by co-operators were downsized. The breakdown of coalitions also deterred citizens from peace campaigns. Despite an adversarial situation, the JCCU initiated a campaign to send photo panels on "Atomic bombs and humanity" to overseas co-operatives in 1998 (34 co-ops donated panels to 139 organizations in 49 countries). Since 2003, it also re-modeled the peace campaign under the new label "Peace Actions" seeking to promote peace related activities at the grassroots level with an emphasis on transmitting experiences of sufferings from wars to younger generations, supporting various anti-nuke initiatives, studying issues pertaining to the Constitutional change and US military bases, and fundraising for UNICEF. For example, the JCCU called for "Peace Actions 2005" to mark the 60th anniversary of the A bomb sufferings, to which 470,000 members and their children took part in 2,100 locations.

There are several internal reasons for the decline.[4] Co-op members reduced their support of the co-op's peace campaigns (from 52% in 1985 to 7% in 2000). Even member interest in peace issues was diversified from nuclear disarmament to land mines, Constitutional revision, poverty, and discrimination, etc. The style of member's activities also transformed from top-down mass mobilization to voluntary participation at the grassroots level. Accordingly, the JCCU changed its approach with primary co-ops from proposing actions

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4 *Ibid.*

to offering support. In addition, co-op turnover stagnated under the lingering recession during the "lost decade" and some co-ops faced financial difficulties. They had to concentrate on restructuring of business operations to survive in the intensified competition. There was a criticism of Mr. Nakabayashi that he was lost in pacifism at the expense of business operations but it seems to be an excuse or an afterthought; his leadership was unanimously accepted and needs to be evaluated in a more balanced manner. In fact, the co-op's peace campaigns culminated when consumer co-ops made record expansion of both membership and turnover during the 1970s and 1980s. There is no evidence that consumer co-op's peace campaigns contributed to its business success or to its delayed business restructuring.

BUILDING TRUST WITH NEIGHBOURS

Another aspect of peace is to build trust and friendship with neighbours. It has been a matter of particular importance in the case of Japan and its neighbours. To understand this we have to date back to the late 19th century. Before Japan opened its doors to foreign trade and diplomatic relations in the 1860s, thereby abandoning nearly 300 years of isolation policy. When China was forced to cede its territory to the Western powers after the Opium War, Japan chose to join the Western powers by colonizing its neighbours, waging war against China in 1894-1895 and annexing Korea in 1910. It invaded China and set up a puppet government in Manchuria from 1931 to 1945. After Japan's surrender in 1945, the war regime was dismantled while the Emperor and bureaucracy were retained. The leaders of the ancient régime were purged but they soon reappeared. The conservative politicians, justifying Japan's behaviors, repeatedly provoked China, Korea, and other nations. Such distrust was further intensified through PM Koizumi's worship of the Yasukuni War Shrine and the modification of textbooks based on revisionist views. This contributed to Japan's inability to gain the trust of neighbours and its diplomatic isolation in Asia. It is in sharp contrast with Germany, which officially denounced the Nazi regime, made consistent efforts for reconciliation with neighbours throughout the post-war period, and won the trust of Europe neighbouring countries. Indeed, recent anti-Japanese riots in Chinese cities and territorial conflicts

over small islands between Japan and two neighbours may escalate hostility and distrust to a point of no return unless nationalistic chain reactions are contained on both sides.

There are also problems with ethnic minorities in Japan. Japan had a long history of immigration from Asia, which contributed significantly to the Japanese culture, including legal systems and religions, literature and letters, food growing, processing, and so on. But the isolation policy of the Edo Era prohibited migration and created the myth of a racially homogeneous nation. After the Meiji Restoration in 1868, Japan sought to follow the Western powers by colonizing neighbouring countries. As a result millions of people from exploited Korea immigrated to Japan during 1910-1945 and 600,000 labourers were forced to come to Japan after 1939. When Japan surrendered in 1945 more than 2,300,000 Koreans were left in Japan. Many of them returned home, but, for various reasons, 530,000 remained as an ethnic minority; they suffered from a wide range of discrimination. They and their descendants continue to live in Japan, maintaining their cultural identity. Since the 1980s, the higher wage level has attracted foreign workers. Now these newcomers, from China, Korea, the Philippines, Brazil, and other countries, are estimated at 740,000, including people of Japanese descent who returned to Japan and illegal workers.

Therefore, it is imperative to encourage trust building and co-operation through people-to-people dialogue. Some co-ops published user's guide for foreigners while other co-ops have organized seminars or language/cooking classes for members to learn about the history and culture of other countries. Some co-ops helped to set up member's committees for peace and international friendship. Many university co-ops helped organizing foreign student clubs for mutual aid and international exchanges.

The JCCU encouraged primary co-ops to undertake such exchange activities and made twinning arrangements with co-ops in other countries, *inter alia* in Asia, including Korea, China, Mongolia, the Philippines, Vietnam, Thailand, Malaysia, Singapore, India, and Nepal. Mutual visits of members and employees at a grassroots level, and the exchange of information and training of managers are the main items of exchanges but there has also been more concrete

collaboration in the trading of products. Since 1986 some co-ops have imported fair trade bananas from producer's group on Negros Island in the Philippines. Seikatsu Club Co-op helped to launch the Third World Shops as an NGO, selling used textiles and imported handicrafts. University co-ops established a network of campus co-ops in 10 countries stretching from Sachalin, Russia to Bangalore, India while they organized students' study tours to Asian countries for exchange and communication. Medical co-ops extended organizational and technical assistances to counterparts in Korea, Mongolia, and Nepal, and raised funds for that purpose among members.

The JCCU itself launched fund-raising campaigns for co-operation with Asian co-ops in 1987. The Asian Consumer Co-op Fund (ACCF) was created and co-ops have raised nearly 900 million yen. The interest from this fund is used to finance bi-lateral assistance programmes, including training of co-op managers, seminars, and consultation. The fund has supplemented the JCCU's multilateral assistance programmes addressed to consumer co-ops, women, and youth in the framework of the ICA Asia and Pacific.[5]

REACHING OUT TO CHILDREN IN THE THIRD WORLD

Japan was a beneficiary country of UNICEF until the 1960s when it became a donor country. Preoccupied with enhancing their own standard of living, the general public was not overally concerned with the state of vulnerable people in the developing world before 1980. Except for religious groups, the giving culture and tradition of volunteerism has not been rooted in society and the boom in corporate mécénat in the late 1980s was short lived. However, the great Hanshin earthquake in 1995 sparked volunteerism among people and led to enactment of the Non-Profit Organizations Act in 1998. Since then, more than 26,000 non-profits have been registered, but civic donations and volunteering remained very low in comparison with other industrialized counties.

The consumer co-ops seized an opportunity to involve themselves in the development issues through UNICEF. On the occasion of the International Year of the Child in 1979, the ICA Women's Commit-

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5 JCCU ed. *50 Years History of Japanese Consumer Co-operative Movement*, 2002.

tee called for a fundraising campaign named "Buy a Bucket of Water" aimed at alleviating children's everyday burden and installing/running wells in the co-operative way. The Japanese co-operators responded with enthusiasm and contributed two-thirds of the whole fund reported to the ICA. One hundred eighty-one consumer co-ops took part in the campaign raising 19 million yen. This event set off co-op fundraising campaigns for UNICEF. In 1986 the JCCU asked the Women's Committee to make another call for fundraising to join UNICEF's Immunization Campaign aimed at vaccinating all children against the six most deadly communicable diseases by 1990. Accordingly, a resolution was adopted in the ICA Central Committee.

Inspired by the appeal of the Women's Committee, Co-op Kobe, Co-op Sapporo, and other co-ops continued fundraising for UNICEF. In 1984 the JCCU proposed a nationwide fundraising campaign involving all the affiliated co-ops. From 1984-1986, the emphasis was placed on emergent relief from famines in Asia and Africa. During 1987-1990 immunization campaigns were widely implemented. In 1994, a new initiative aimed at sustainable development was started with designated fundraising; co-ops made a commitment to raise at least $100,000 US dollars a year for 3-5 years, for projects to encourage women's income generation and to improve sanitation and education in designated countries. Co-ops in different regions took charge of designated projects for fundraising. In view of the socio-economic development in recent years taking place in countries where these designated projects had been undertaken, the targets were shifted to poorer countries. Accordingly, Vietnam was replaced by Timor-Leste in 2004, while India was replaced by Nepal in 2005.

Every year the JCCU has organized study tours of co-operators to visit the poorest countries in Asia and Africa. Under the coordination of UNICEF Japan the findings were publicized to disseminate information on the real situation of children in those countries. To help member's fundraising activities, it published guidance leaflets named "Extend family love to children in the world," and supplied toolkits, including posters, and family donation boxes. Its call met an enormous response; most of the members were mothers who

TABLE 2. FUNDRAISING FOR DESIGNATED PROJECTS

TARGET AREA	FUNDRAISER	RAISED AMOUNT[*]
Bihar State, India	Co-ops in Hokkaido and Northern Regions	66.5 million
Vietnam	Co-ops in Central and Kyushu Regions	90.1 million
Laos	18 co-ops in Western Region	91.3 million

*1995-1999

could sympathize with the situation facing children in the poorest countries. Co-op members undertook fundraising at co-op shops or in Han groups, promoting UNICEF greeting cards, organizing charity concerts, bazaars, and photo exhibitions. Some children even contributed a part of their New Year's gift, which they received from parents or relatives. Today, consumer co-ops are one of the largest contributors to UNICEF Japan. It has accumulated donations exceeding 5.4 billion yen for 22 years. UNICEF Japan designated local branches to promote fund raising networks within each prefecture. The fact that 9 branches out of 18 are located at co-op facilities clearly demonstrates how consumer co-ops have contributed to popularizing fundraising among citizens.[6]

From time to time co-ops responded to UNICEF's call for emergency fund-raising to give relief to victims suffering from natural disasters (earthquakes in India, Iran, Pakistan, etc.) or devastated by wars (Afghanistan, Iraq, Sudan, etc.). When a massive earthquake off the coast of Sumatra triggered a series of tsunami waves that struck the coastal regions of Asia and Africa on the eve of 2005, UNICEF quickly responded to rescue efforts for the victims. In view of extending long-term support to more than 1.5 million children, in April 2005, JCCU and UNICEF Japan launched joint fundraising campaigns for supporting reconstruction efforts for victims of the tsunami. More than 410 million yen was raised in 9 months from 105 co-ops. Medical co-ops were especially active; they sent doctors and nurses, and they raised funds to donate medical equipment to the severely damaged co-operative hospitals in Galle, Sri Lanka.

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6 JCCU's handbook for UNICEF fundraising, etc.
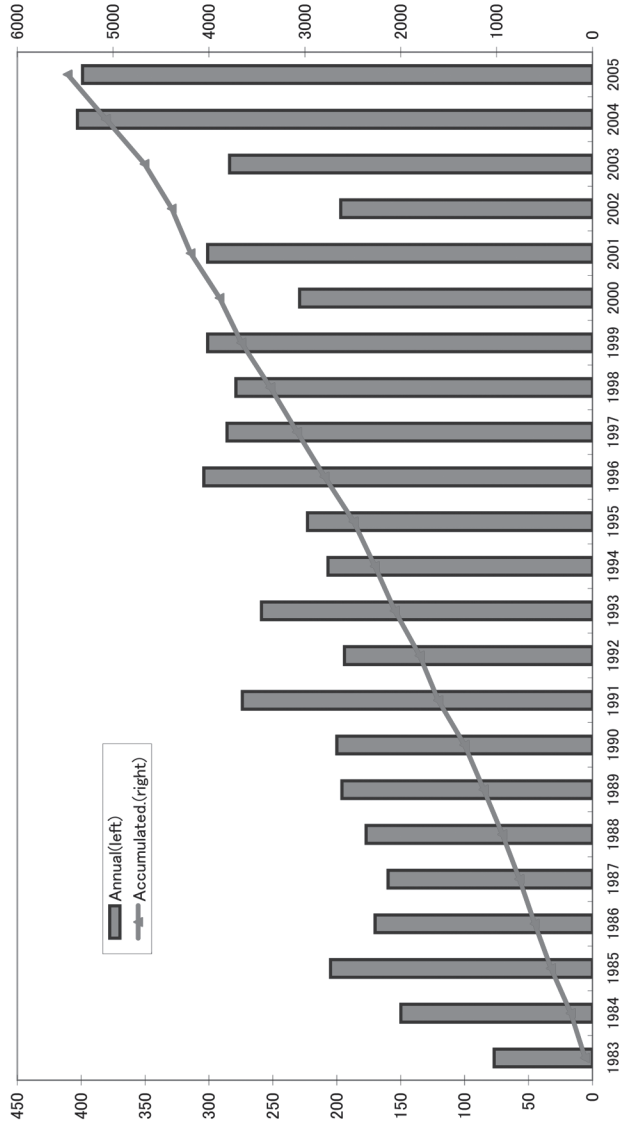
FIGURE 1. CO-OP CONTRIBUTIONS TO UNICEF JAPAN (YEN MIL.)
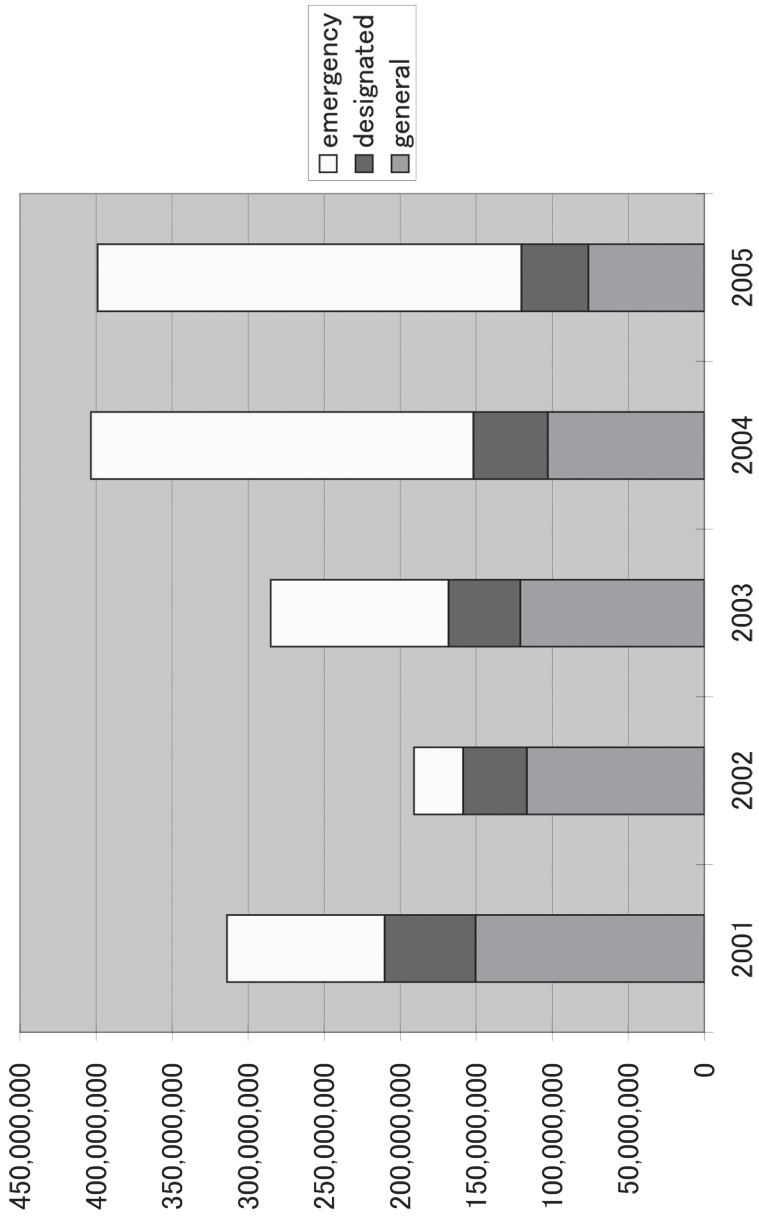
FIGURE 2. COMPOSITION OF FUND (YEN)

CONCLUSION

The Japanese Consumer Co-op joined in worldwide peace campaigns and played a significant role in mobilizing public opinion from the grassroots level when the doomsday seemed to be approaching through nuclear war build-up during the 1970s and 1980s. Now the nature of threats has changed from a nuclear power game to multi-faceted risks including proliferation of nukes and terrorism, ethnic and religious conflicts, natural disasters and global warming, food scares, contagious diseases, and so on. The question of peace and co-operation becomes more complicated and requires more of a holistic approach than ever before.

It is a matter of course that co-operatives alone cannot solve these problems. They cannot play the role of NGOs specialized in some areas. But they should have the perspective to address such problems by informing members of what is happening in the world, proposing actions involving members, and making joint efforts with governments and NGOs to contribute to the common cause of peace and co-operation. This will involve a wide spectrum of initiatives for community regeneration, sustainable development, trust building with neighbours, fair trade, and so on. By so doing they will be recognized as responsive and responsible actors in civil society.

196

IBNOE SOEDJONO

Co-operatives & Peace: An Indonesian Perspective

Indonesia is a country that has vast potential for conflict within its very diverse population. It is an archipelago consisting of 17,000 large and small islands with different population densities. Java, covering only 6% of the entire country, accounts for 60% of the population, while Maluku and Papua cover 25% of the total area of Indonesia, but have only 2% of the population. Among the estimated population of 238 million,[1] there are around 200 ethnic groups with different cultures and languages. Ninety per cent of the population follows the Moslem faith, while the rest are Christians (Catholics and Protestants), Bali Hindu, Buddhists, and followers of Kong Hu Chu. The government recognizes these large religions and their beliefs. There are also many sects, the exact number of which is unknown.

Such a situation is more prone to conflict, especially because of economic disparities between one area and another, or in areas that are rich due to the presence of forests and mining, but the people are

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1 According to the Central Bureau of Statistics, the total population of Indonesia in mid-2000 was 203.5 million (preliminary result of 2000 Population Census).

not prosperous. There is also disparity between villages and cities, where the cities are the centre of economic activity and the turnover of money is high, but the villages are lacking in capital. There is deep concern over the gross inequality in income between the rich and the poor.

The triggers of conflict are usually the unfair application of policies, the behavior of groups of people, and differences in religion that can easily be exploited. Conflict is generally increased by political interests, for example, in the cases of Aceh, Maluku, Central Sulawesi, and Papua.

LOOKING FOR A PHILOSOPHY TO UNIFY THE NATION

The geographical boundaries of Indonesia, including many of their inherent problems, are what the Dutch Colonial government left when Indonesia claimed independence in 1945. Long before the liberty of Indonesia, the founding fathers were aware that the reality of the state contained possible conflicts that could break the unity of the nation after independence. Therefore, it was necessary to create an infrastructure for the unification of the nation. The seeds had been sought since the beginning of the 20th century by political freedom fighters, and in the year 1928, the binding ties were formulated by young freedom fighters from several ethnic groups in Indonesia; one country that is called Indonesia, one nation that is the Indonesian nation, and one language, the Indonesian language. Concerning the language, it is appropriate to note that the language chosen out of several possibilities was a minority language, the Malay language, in order to uphold unity and peace among a diverse population. Later on, the philosophy was embodied within the Indonesian symbol for the State (the code of arms) the Bhineka Tunggal Ika (Unity in Diversity).

After independence in 1945, when the founding fathers prepared the constitution for Indonesia, they drew upon the wisdom of various cultures, social beliefs, political experiences, religions, and belief systems to form the foundation of the state called Pancasila (The Five

Principles).[2] The intent was clearly to unify the nation, and preserve peace and brotherhood.

However, because the potential for conflict is actually structural in nature, conflicts between ethnic groups, religions, and others did not disappear automatically because of the Pancasila. In several areas there are still conflicts among religious groups, such as Christians against Moslems in central Sulawesi and Ambon, rivalries between Catholics and Protestants in north Sumatra, and among Moslems themselves in the conflict against Ahmadyah in Java and west Nusa Tenggara. There are also ethnic conflicts, such as the Madura ethnic group against Dayaks in west Kalimantan. In 1998, there was an attack on Chinese descendants, and before that attacks happened in the city of Makassar in South Sulawesi. The transmigration programme of people from Java to outside Java also faced opposition by local people.

Ethnic and religious conflicts differ from conflicts based on economic factors (such as between labourers and employers), or from conflicts about land ownership and fishing locations, which can be solved by law. Ethnic conflicts and religious conflicts are easier to solve with the Pancasila approach. There have been incidents where such conflicts flared up and claimed victims. Since they usually were started by other parties for political reasons, such as in Maluku, Papua, and Aceh, they have also generally been solved through political channels.

The Pancasila, as a philosophy that was agreed upon by people 60 years ago and was made a part of the constitution, is rarely used in daily life as guidance by groups within the community. This is mainly for economic and political reasons. The Pancasila as a cultural product is indeed still necessary and must be transferred from generation to generation for the internalization process to be actualized. The effective infrastructure for this purpose is through education.

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2 The Five Principles of the Pancasilia are: 1) Belief in the One and Only God, 2) Just and Civilized Humanity, 3) The Unity of Indonesia, 4) Democracy Guided by the Inner Wisdom in the Unanimity Arising Out of Deliberations Amongst Representatives, and 5) Social Justice for the Whole of the People of Indonesia. Source: Government of Indonesia website: http://www.indonesia.nl/articles.php?rank=1&art_cat_id=22

THE RELATION BETWEEN CO-OPERATIVES AND THE PANCASILA

There are important similarities between the co-operative model and the Pancasila. The late Dr. Moh Hatta pointed out the similarities after the acceptance of the Pancasila as the national philosophy. Thereafter, the co-operative model of economic democracy was embraced in the 1945 Constitution that used the Pancasila as its basic philosophy.[3]

The Pancasila states belief in: 1) God, 2) Humanity, 3) Unity, 4) Democracy, and 5) Social Justice. If we compare it to the co-operative values and principles the ICA adopted in 1995, we can see clear similarities. In Indonesia, co-operatives based on the spirit of both are more successful in the creation of peace among their members and the surrounding population, as such they take advantage of the local wisdom that has been absorbed into the spirit of Pancasila.

Following are several examples of the close relationship between the Pancasila and the co-operative model and how they both promote peace within diversity.

Differences of Religion
Indonesia is a multi-religious country with the inherent capacity for religious conflict, as has occurred in Sulawesi, Maluku, west Nusa Tenggara, and Java. But, up to now, there have never been any cases of religious conflict within a co-operative.

In co-operatives, there is the principle of voluntary and open membership that guarantees neutrality of religion. This principle has been effective in preventing conflict. We can find examples of this within the credit unions that conform with the open nature of co-operatives. The Catholic Church introduced credit unions in Indonesia in 1970 (one of the promoters was Mr. Robby Tulus). Credit unions have since developed throughout Indonesia and there are now 980 co-operatives with 603,728 members. The members come from all religions and work peacefully with one another.

The credit union in Cibinong, Bogor was formed 25 years ago by 14 people from within church circles. It has since increased its membership to around 4,000 people, more than 90% of whom are

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3 In the amendment of the Constitution the word "co-operative" has been erased, but the spirit still exists in Article 33 (1).

Moslems. In Lembata, east Nusa Tenggara, where the community consists of Catholics (the indigenous people) and Moslems (migrants from south Sulawesi), the credit union have prospered, in part due to an agreement that the chairman should be alternated between both religions. In Ngada (part of Flores) and in Bali, all the members of the co-operative participate in religious functions. In several areas, such as in Bali, religious sanctions are made use of by co-operatives in their management practices, while in Java the Moslem Law (*Syariah*) is also applied to support co-operative values. In north Tapanuli, where there is a rivalry between Protestant and Catholic groups, the problem has never occurred in the credit unions. In Lampung, Sumatra, the credit union donates 5% of its annual surplus for building mosques and churches.

Ethnic Conflicts

Indonesian people are very mobile, in part due to improvements in transportation. People migrate for many reasons: some changes occurred in the past colonial period, transmigration continues to be encouraged by the Indonesian government, as well, people maybe looking for better opportunities on other islands. All this has resulted in a mixed society of various ethnic groups. The process of migration usually happens peacefully, but sometimes it can cause conflicts between the local people and the newcomers, such as what happened in west Kalimantan between people from Madura and the Dayak locals, and in Maluku between Ambonese and people from south Sulawesi. Generally, these conflicts are caused by differences of cultural backgrounds, often triggered by economic inequality and political interests.

Gathering different ethnic groups into co-operatives has helped create harmony among the inhabitants, for example, in Flores and in other areas, co-operative principles and values have helped create a sense of togetherness. Even though there have been mixed settlement populations of indigenous people and people of Chinese descendents for ages, this can lead to conflict — as has happened several times in our history, especially in Java. The causes were as mentioned above - differences in cultural backgrounds, economic inequality, and the exclusion of Chinese descendents that goes back to the divide *et impera* policies of the Dutch colonial government. In instances where mixed

groups became members of a co-operative, peace and solidarity has prevailed. An example of this is west Kalimantan, where Chinese descendents became small farmers and joined co-operatives. A similar process happened in Java with the credit unions. An interesting case has ocurred in Pekalongan, where many Chinese and Arab people are engaged in the batik trade.

The local people and the Arabs can live in harmony due to having a similar religion, but with the Chinese descendents, conflicts have occurred, and have sometimes been followed by atrocities. In 1970, an influential co-operative figure, the late Djunaed of the batik co-operative, invited Chinese and Arab descendents to form a savings and loan co-operative in order to unite them and to abolish the exclusion that had caused tension. The invitation was received half-heartedly in the beginning, but with the disappearance of suspicion, and with the coming of harmony due to equality brought about by co-operative values, more and more people joined the co-operative. At present, the Kospin Jaya co-operative, as a financial institution in the form of a co-operative, has become the biggest co-operative among similar kinds of organizations.

Political Conflicts

If there is a type of conflict that cannot be easily settled within a co-operative, it is a political conflict. Togetherness can bring a sense of peace and ward off conflicts, but in politics, there is no togetherness.

The cessation of political conflict and warfare between the Indonesian government and GAM (Aceh Freedom Movement) is beyond the reach of co-operatives even though they can play a limited role in bringing about peace at the community level. Armed conflict between the government and GAM lasted more than 30 years, costing human lives and sacrifices of wealth, comfort, and peace.

The problems accelerated with the tsunami disaster in the year 2004. Even though it opened the road to peace, the Helsinki Memorandum of Understanding (MOU), still leaves a lot of hardship, and we cannot be sure that it will abolish the feelings of hatred and animosity that can follow from political divisions.

With regard to the role of co-operatives, attention is focused on ex-GAM members at the lower levels, who in the past were villagers

and who after the peace accord returned to their villages. How is their new life after they returned to the village? Do they have work or do they have a new business through which to earn their livelihood? Without a job, they may take actions that may disturb the peace again. In order that the harmonization process is accelerated, co-operatives have opened their doors for them to become members; this has meant that they do not have to form separate co-operatives of their own apart from what is already available.

While the political solution was very important, the solution was made by the upper levels, the elite group, with a position far removed from the grassroots. According to the Indonesian experience, such a solution through the elites does not always create a clean peace. The process could be more effective if people at the grassroots level (for example, through co-operatives) are involved in local peace making and can assist in creating a sense of social and economic togetherness for those who have been involved in a conflict.

CO-OPERATIVES, RELIGION, AND PEACE

The relation between co-operatives and religion, at least in Indonesia, has never been a problem. Several religions in Indonesia have adopted the co-operative model and have supported their development. This is because the philosophy of co-operatives is in line with many religious teachings.

In the 19th and 20th century, Indonesia was introduced to co-operatives according to the Reiffeisen model (with a Christian spirit), but Moslems could still accept it. The credit unions, which also have the Reiffeisen spirit, were developed through the Catholic Church, but can also be developed among Moslems. The co-operative model that was born in the West, with a Christian spirit, does not seem to be a problem, especially among the Christians. However, for Moslems, the present co-operative philosophy, that has been neutralized and become universal still needs to be harmonized with the Moslem teachings, especially in connection with *syariah*.

Harmonization of co-operatives with *syariah* actually was done a long time ago when co-operatives were introduced to Indonesia and continued to be promoted by the late Dr. Moh Hatta. The harmonization has continued by LSP2I (The Institute for Indonesian Co-op-

erative Development Studies) through seminars and workshops, in order to show there is a similarity between the co-operative identity and the *syariah* rules.

In the year 2002, the LSP2I, supported by the Canadian Co-operative Association (CCA), conducted a seminar with several universities, religious institutions, and others, for the purpose of harmonization. A second seminar was held in 2004 in order to clarify and examine the connection with the meaning of "interest" for co-operatives; whether it is identical to usury or whether it is acceptable to *syariah* rules. *Syariah* prohibits gambling in economic activities, un-transparent transactions, amoral behavior, and actions that are against the social norms, it prohibits: riba (usury), hoarding, and monopoly of goods.

If we compare *syariah* to the values and principles of co-operatives, there is a harmony between the two, and there is a possibility that the values and principles of co-operatives are accepted and internalized, as well as actualized within the *syariah* beliefs. Both seminars were in agreement that the co-operative identity is not in contradiction with *syariah* regulations. The problem of usury, which is very sensitive in Moslem society, was declared as non-existent in the co-operative model, because in the eyes of *syariah,* co-operative capital is considered to be "clean" because it originates from members savings and is used to serve the members' needs with as light a burden as possible. Moreover, the third co-operative principle states that members receive limited compensation from capital.[4] The compensation can be substituted by a profit sharing system as practiced by *syariah*, without diminishing the meaning of co-operative principles and values.

From the co-operative perspective, a harmonious relationship with *syriah* would encourage Moslem circles to adopt the co-operative model within Moslem circles, especially as it would encourage tolerance and respect for the opinions among people who otherwise would be inclined to see black and white differences of understanding. This would have a significant influence on the creation of togetherness and peacefulness, and the elimination of conflicts. In actual

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4 The 3rd Principle of ICA, 1995, stated that members usually receive limited *compensation*, if any, on capital subscribed as a condition of membership.

fact, co-operatives in Moslem circles have almost never experienced any internal or external conflicts.

At present, Indonesia is influenced by the rise of (political) movements based on the Moslem faith. In the 1990s, co-operatives using the label of *syariah* appeared that unfortunately were facilitated by the government through legal recognition, as well as through financial support. With the presence of *syariah* co-operatives, a dualism was created in the development of co-operatives - the conventional co-operatives and the *syariah* co-operatives. Unfortunately, this can induce a difference of conviction. The effort to harmonize the *syariah* outlook with the values and principles of co-operatives turned out to have a new challenge due to parties who do not fully understand the similarities of the two beliefs. It is a pity that the government itself encouraged the creation of the dual system.[5]

At this moment, LSP2I is trying to develop an understanding amongst all parties (through seminars and discussions) that there is no difference between the teaching of *syariah* and co-operative principles, so that this dual system is no longer relevant. There should exist only one co-operative model, based on the ICA principles adopted in 1995, and the *syariah* can always be used to enrich co-operative values due to its similar spirit.

CO-OPERATIVES AND WORLD PEACE

Can the co-operative model make an important contribution to world peace? The problem of peace is so big and complicated, while the influence of co-operatives in the world is not yet fully realized. It is true that co-operatives are spread all over the world, and it is estimated that the membership is well over one billion people. But conditions of co-operatives differ one from the other, and from one country to the other. Even though most of the existing co-operatives are members of the ICA, the co-operative movement in the world is not a solid power able to move together in one direction to reach one objective. Such a situation is also repeated at the national level. Perhaps what can be offered concretely is a contribution towards lo-

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5 In the last two government cabinets, the minister in charge of co-operatives has been from a Moslem-based, political party.

cal peace, where people get together in a spirit of unity and solidarity to face the economic and political issues that, in fact, are the main sources of conflicts, hardship, and war.

The question is: Who will win?

SARAH SHIMA

& YAGYA GHALE

Building Hope while Providing Credit through Co-operatives: A Case Study of Women Coping with Conflict in Nepal

In conditions of armed conflict, or in conflict-prone settings, where there is a risk that non-violent conflict may turn, or return, to violence, co-operatives have been shown to be practical and effective models of economic and social development. As locally owned and autonomous organizations, they provide: transparency – of great importance in a corrupt economy; flexibility, which enables members to quickly adapt procedures, products, and services to suit the local situation; pride of ownership, wherein members are more likely to protest external interference; and local economic advantages, providing profits to members, affordable interest rates, and services suited to the local economy, as they are designed by the members themselves. Co-operatives also teach democratic principles, instructing members about the characteristics of democratic institutions, and their roles and responsibilities within such institutions. Co-operatives promote concern for community and build trust among members in the co-operative and between members in the community. Where there is political instability, these attributes are crucial to the survival of the community.

BACKGROUND

Nepal has a strong co-operative history that formally began with a Department of Co-operatives (DOC) established within the Ministry of Agriculture to promote and assist development of co-operatives. In 1956, the first, formal co-operatives were organized as co-operative credit societies with unlimited liability. They were created in the Chitwan District as part of a flood relief and resettlement programme. Almost 8,000 co-operatives now exist in Nepal. They are in 12 different sectors (e.g., credit unions, dairy, multi-purpose, health, agriculture, herbal) and they average a total membership of over one million people, or 4% of the population.

Unfortunately, conflict has played a major part in recent economic and social development of the country, once known as Shangri-La. From 1996 to 2006, over 13,000 people were killed and thousands of people were displaced, due to the conflict between the government armed forces and the Community Party of Nepal – Maoist (CPN-M). With over 80% of the population dependent on agriculture, a feudal land-tenure system characterized by a concentration of landowners charging their tenants exorbitant rents, and over 82% of the population living on less than $2 US per day, the Maoists had fertile ground to promote their ideology and gain support.

Rural women are often forgotten in analyses of national conflicts. They hold their families and communities together when men have left to fight, find employment, or seek physical safety. Taking on financial management of the home and family business, or finding work for the first time is challenging for many women who have minimal education, and have rarely acted as leaders outside their homes. These women also have had the additional burden of acting as negotiators with the government security forces, as well as the Maoist People's Liberation Army for the protection and the survival of their families.

Rural co-operatives provide a flexible support structure that mitigates effects of the conflict on women. They enable women to take control over their financial and social resources at a time when it is crucial to their families' physical and emotional survival. Co-operatives assist women in finding social support, giving them the tools to

manage their family's finances, to avail themselves of credit opportunities, and ultimately, to help them develop into business women and to be leaders in their communities.

In partnership with the Canadian Co-operative Association (CCA), the Centre for Micro-Finance (CMF) has worked with local Nepalese co-operatives for over 6 years, focusing on women-based savings and credit co-operatives. These activities have significantly contributed to the empowerment of women, bringing positive changes in their socio-economic status. In several cases, the conflict situation has provided an opportunity for local people to reflect collectively on their situation, better organize, and prepare for local self-help governance. Rural women in these conflict-affected areas have changed their economic roles from a subordinate to a decisive one, as they have been compelled to manage their livelihood options and those of their families and communities.

In spite of the serious character of armed conflict in Nepal, community based savings and credit co-operatives (SCC) have not suffered direct interference or serious setbacks from either the Maoists or the government armed forces for a number of reasons. Some of those reasons are:

1. *Co-operatives are Locally-owned and Autonomous*—In a co-operative structure, members' savings make up the capital base. Any profits available at the end of the year may be distributed as dividends to the members, keeping the profits within the community. In other organizations, such as those owned by the government or private sector, profit earned on investment does not remain in the local economy. Organizations that use capital from outside the community and deliver profits earned from Nepalese poor, to distant shareholders have been the target of the Maoists. They have had their cash and vehicles stolen, and in some cases, their staff have been kidnapped.

2. *Interest Rates Set by the Co-operative*—As a locally-owned and autonomous business, co-operatives set their own interest rates that are often lower than other organizations. This is an obvious benefit to the local economy.

3. *Co-operatives are Transparent*—As all financial records are available for review and decision-making is done with the knowledge

of all members, there is little room for corrupt practices within a co-operative. This builds people's trust in the co-operative.

4. *Co-operatives Are Flexible*—As co-operatives are locally-owned and autonomous, their procedures can be adapted to suit the local situation and service is faster than from other financial institutions. In a situation of civil conflict, this means savings and loan products can be tailored to the needs of the members. Loan repayment dates can be quickly changed. Interest rates can be lowered if necessary. Compulsory savings products can be adapted to the current situation. Hours of operation can be adapted to suit bandhs (strikes) or conflict activity. Most important, these changes can be made quickly – instead of taking weeks or months to be approved by head office, the local co-operative can make the change within one meeting.

5. *Institutional Governance By Community Members*—Co-operatives teach democratic governance, develop strong group solidarity, and foster pride of ownership in members. Because the members are proud to be an owner of their co-operative, they are more likely to protest external interference from Maoists or government security forces.

6. *Lack of Formal Micro-finance Service Providers*—During the civil war, formal micro-finance institutions (MFIs) were forced to leave rural and some urban areas of Nepal. Due to the structure of these institutions, management and operational problems developed and the institutions were forced to close down operations in some parts of the country. One of the challenges of these organizations was bringing women together in self-help groups on a regular basis. Not only was it often difficult and sometimes dangerous for the women to travel, but, as mentioned earlier, the staff of the MFIs were often targeted for the cash they carried, or for their vehicles. Because the funds belonged to the local community, savings and credit co-operatives were not bothered by the Maoists and were permitted to stay open. The co-operatives were also able to change the dates and times women came in to make deposits or loan payments depending on the security situation, so staff and members of the co-operative were not put into risky situations.

RESEARCH PROJECT IN KOHALPUR, BANKE DISTRICT

To document the experience of members of women's savings and credit co-operatives (SCCs) and non-members living in the same community, and document differences in experience between these two groups, a small study was completed in Kohalpur, Banke District of west Nepal. Kohalpur has about 15,000 people, and is close to the border of India. It had been affected by the conflict for 10 years and severely affected over the past five years through armed violence and confrontations. This study included focus groups with SCC members and non-members, as well as individual interviews with women from both groups. A few husbands of members were also interviewed.

To compare different micro-finance services available in Kohalpur, staff of the local Nirdhan Bank office and Grameen Bank office were also interviewed. Through specified branch offices, the Nirdhan Utthan Bank (NUBL) provides basic microfinance services to the rural poor of Nepal using lending methodologies based on the Grameen Bank model and group lending based on the Self-Help Group model.

Focus groups discussed how the conflict affected the operations of SCC or other available financial services, and the perceived advantages or disadvantages to being a member of a co-operative over another micro-finance institution. Through the focus group discussion, it was confirmed that both the Maoists and the government armed forces did not target the co-operatives. In fact, during bandhs (local work strikes) the Mahila Sawaj Sewa (a savings and credit co-operative with a membership of 400 women, and assets of $38,800 CAN) was allowed to stay open. While staff members of both the Nirdhan and Grameen Banks were abducted and had funds stolen and sometimes even their motorcycles were stolen, nothing was taken from the Mahila Sawaj Sewa Savings and Credit Co-operative.

The flexibility of the SCC to choose services and procedures, and to adapt both as necessary to the local situation, was seen to be one of the key reasons for the success of the SCC in the midst of the conflict. The Maoists appreciate the lower interest rates of the SCC,

as well as the fact that SCC makes local payment of dividends and ensures local funds stay in the community.

SCC members felt they had better access to financial services with the SCC than the Nirdhan Bank or Grameen Bank. Their funds were more secure, they were able to operate without interference from either the Maoists or government security forces, and the SCC's services were more consistent and useful.

Interviews with the staff of the Nirdhan Bank and Grameen Bank supported the results mentioned above from the focus groups. Indeed, the staff person interviewed from the Grameen Bank commented that he was trying to convince his supervisor to move to a co-operative model for providing micro-finance products.

During the individual interviews, SCC members and non-members were asked about the effects of the conflict on themselves and their households, and possible benefits of being a member of the SCC or other micro-finance institution (examples of benefits included increased safety, self-confidence, trust in community members, support for each other, development of leadership, and hope for the future).

The women interviewed ranged from 18 to 60 years old, most were married with children, income ranged from Rs 10,000 – 300,000 ($160 - $4,800 CAN) per year. Education levels ranged from illiterate to one woman who had a B.A.

The interviews determined that there were more benefits to being a member of a savings and credit co-operative than simply the security of the financial services. SCC members were more self-confident; 100% of interviewed members felt more self-confident as a result of being a member of the SCC. Only 25% of the interviewed members of other micro-finance institutions felt more self-confident as a result of being a member of that institution. One hundred percent of the interviewed SCC members also trusted their community members and supported each other, whereas none of the micro-finance institution members felt being a member helped maintain trust in the community and only 25% felt members helped provide support for each other.

It was interesting to find there was no perceived difference between SCC and micro-finance institution members in building women's

leadership skills and increasing women's decision making at home and in their community. Both groups noted the importance of not discussing politics within their groups and ensuring that the space for financial transactions is politically neutral. In the conflict situation of Kohalpur, it was potentially physically dangerous to discuss politics. Overall, members of the savings and credit co-operatives were more hopeful for their future. Sixty-four percent of SCC members said they were hopeful about the future of their households and communities. No members of micro-finance institutions indicated they were hopeful about their future.

In a conflict situation, such as in Nepal, it is relatively easy to show the importance of secure and available micro-finance services to communities and how the co-operative model is often ideal; however, the social benefits are also crucial to maintaining the possibility of the development of peace. Without hope, self-confidence, support for each other, and trust in your community, peace processes cannot take root.

On April 24, 2006, the King was forced to surrender his executive power and reinstate the Lower House of Parliament, which had not sat since it was dissolved in May 2002. The repeated failure of the King to negotiate peace and stabilize the political situation, and the pursuit of peace by joint efforts of mainstream political parties and the Maoists, finally resulted in a three-week demonstration by the Nepalese and the formation of a new government.

Add to this a peace deal between the Maoists and the Seven Party Alliance, the formation of an interim government, and elections scheduled for November 2007, and the political situation in Nepal is looking more hopeful than it has for years. Co-operatives now have a post-armed conflict role to play – that of using their inherent understanding and experience of democratic processes to help build the new democracy of Nepal. By working with the women's savings and credit co-operatives to link their understanding of democratic processes within their co-operatives to that of the new government, co-operatives can be used to help give women, especially those traditionally excluded, a strong voice in the governance of their country.

CO-OPERATING
OUT OF POVERTY:
INSIGHTS FROM AFRICA

ADA SOULEYMANE KIBORA

Peace Building through Co-operatives & Self Help Organizations in West Africa

African states are composed of people from many ethnic groups due to migration that resulted from colonization and due to natural, sociological diversity. The process of nation building is ongoing. An African politician once said that "Peace is not an empty word, it is a behaviour." His political heirs, while proclaiming peace in their political speeches and statements, have nevertheless thrown their county into fire and blood through their pursuit of power.

Behaviour is sometimes related to a state of spirit, to a philosophy, to interests, to a particular environment, and at times, to the intersection of circumstances and facts. Co-operatives, born from necessity, result from a philosophy, a state of mind, behaviours and practices, circumstances, environmental conditions, and the interests of a group of people. Co-operatives and peace have the same philosophical and behavioural foundation. These two concepts consider "man" as their essence and end result.

These various concepts have common features in the cultural and philosophical heritage of many African people, because economic

activities were indistinguishable from social activities, the economy was there to serve man, and man was there to serve the community; community cannot be thought of without solidarity and peace.

Despite conflict and war, in many African languages the word "peace" is part of daily life through greetings, wishes, and even to bid someone good night. One should not wait until there is conflict, social unrest, or wars to talk about or seek peace. Peace is a daily effort and should be built daily in people's minds and actions, avoiding and reducing risks or causes of conflicts.

The lack of war does not mean peace. A hungry man, deprived of freedom, living in a precarious and insecure situation, or a man who has no certainty or prospects for his future or his family's future, is not a man at peace. This man can, because of despair, manipulation, or ignorance, fall into violence – the source of conflicts and wars. Co-operatives and self-help organizations contribute to safeguarding peace at the local and community level by putting their values and principles into practice and through their actions help to reduce poverty, scarcity, social exclusion, ignorance, and disease; in other words, co-operatives stand for fair and sustainable development at the grassroots level.

This paper will focus on this spirit and the complementary relationship between co-operatives, social and solidarity economies, and peace. This theme will be explored through the following four sections in this paper:

1. Context and causes of conflict in Africa,
2. The general situation of co-operatives,
3. The co-operative response to peace building, and
4. Co-operatives and peace building through development projects.

CONTEXT AND CAUSES OF CONFLIT IN WEST AFRICA

This overview of the West African context will highlight the causes and conditions of conflict at the present time and indicate situations of possible future instability and conflict.

218

Environmental and Climatic Conditions

West Africa is composed of 16 countries, including 8 Sahelian countries. The region is divided into two major climatic and ecological areas with various potentials. The savannah area, or Sahel, is characterised by a dry or semi-dry climate, with poor lands and insufficient rainfall (between 150 to 300 mm). In some areas of the Sahelian countries, demographic pressures are strongly felt on arable lands. Lands that were traditionally dedicated to agriculture are overexploited in an effort to address the population's food needs. Fragile lands are cropped, deforestation is getting worse, forests are disappearing, and the plant cover is becoming impoverished.

The consequences of this situation are: soil erosion, deforestation, desertification, conflicts between farmers and pastoralists, rural exodus of youth, and food shortages, or sometimes famines in rural areas. In 2005, the lack of rains and an invasion of crickets caused famine in several Sahelian countries, including Niger, Mauritania, and Mali. In the Sahelian countries, 10 million people are estimated to have survived, thanks to food aid from the World Food Programme (WFP). Despite good harvests in 2006, the food situation remains very unstable.

Serious food crisis also occurred in east and southern Africa, mainly in Sudan (Darfour), Somalia, Ethiopia, Kenya, Zambia, and Zimbabwe. Famine has become overwhelming and endemic in many African regions, which is surprising because these areas do not lack natural resources to produce enough to feed their people. According to Jean Ziegler, special reporter of the United Nations on the right to food, Africa, south of the Sahara, is carrying a heavy burden, because 186 million people (34% of the population) are permanently, seriously underfed.

The second zone is composed of eight countries with better climatic and ecological conditions, and more suitable agricultural resources. The potential of unused, arable land is still significant, but deforestation is very prevalent and worrying. In Côte d'Ivoire, the primary forest which covered 8 million hectares at the beginning of the 20th century only covers 1.5 million hectares today.

Economic and Social Situation

West Africa was inhabited by 255 million people in 2005, population growth projections estimate there will be more than 500 million by 2025. According to government data, about 45% to 60% of the population live below the poverty line in rural areas.

Cotton is produced in Burkina, Benin, Mali, Togo, and in Cote d'Ivoire. Village producer groups and co-operatives provide fertilizer, equipment, loans, and market 80% to 90% of the production.

More than 10 million farmers are victims of subsidies granted by the US and by European countries to African cotton producers. According to OXFAM UK, a British NGO, the US granted about $4.8 billion US in subsidies to their cotton sector, benefiting 25,000 cotton producers each year. Those subsidies entailed losses of about $400 million US to Sahelian producers between 2001 and 2003. In March, 2005, the World Trade Organization (WTO) condemned the US for its cotton subsidy policy. Maybe a new era will start for Sahelian cotton producers, provided the international market prices improve or stabilise.

Population shifts are dramatic and important in understanding famine in many African countries. In West Africa, more than 50% of the population is young. In 1998, urban centres comprised about 32.7% of the population; this will shift to 42% by 2015. Lagos city in Nigeria accounts for 14 million people. By 2015, it could turn into the second most populated city in the world, with 24 million inhabitants.

West Africa is characterised by high migration from the countryside to the cities, and from the Sahelian countries to the coast. Emigration to Europe has been on the increase for some years, often in the form of "boat people." In May 2006, alone, about 5,000 boat people were rejected from the Canary Islands. The most concerned countries are Nigeria, Senegal, Mali, Cameroon, Congo (DRC), and Cote d'Ivoire (since 2002). Those who attempt to emigrate are often young people (20/30 years old), and educated people (60% have completed high school and have a bachelor degree or its equivalent, or another university degree). According to the National Science Foundation, in 1997, 29,300 engineers and scientist living in the United States were from Egypt, Nigeria, and South Africa. About

25% of the clandestine emigrants are women, often pregnant, or accompanied by young children.

Migratory phenomena are worsened by waves of refugees due to conflicts between communities or to civil wars (such as Liberia, Sierra Leone, Côte d'Ivoire, Mauritania) and characterized by poverty, unemployment, and despair.

In Côte d'Ivoire, despite the current crisis, about 25% of the population are from foreign origins. Violent conflicts between indigenous people and foreigners, or between Ivorians, are frequent, in part because of the inequality in distribution and use of arable land.

The sociological, ethnic, linguistic, religious, and cultural realities vary from one place to another. Some countries, like Nigeria or Côte d'Ivoire, have several dozen ethnic groups, and as many languages. Côte d'Ivoire has more than 60 ethnic groups. French and English are considered the official languages of communication, but even these languages are spoken by less than 50% of the population. At times diversity leads to integration problems that can degenerate into social tension and conflicts, followed by violence, for example, in the Sahelian area (farmers and pastoralists), in Nigeria (northern Moslems and southern Christians or animists), northern Ghana, Côte d'Ivoire (Baoule and Bete, Dioulas from the north and people from the south), in Senegal (Mauritanians and Senegalese), in Mauritania (Maures and Blacks). Liberia, Sierra Leone, Côte d'Ivoire, Casamance in Senegal, and northern Mali, have recently experienced either civil war or armed rebellion in places. Today, only Côte d'Ivoire and the Casamance area in Senegal still experience some tension.

Nigeria has been facing conflicts for some years between armed groups and federal powers in oil production areas around the management and distribution of the oil income. These conflicts have translated into kidnappings of foreign technicians and experts working on the oil exploitation sites and pipeline sabotaging. Guinea Bissau and Togo also experience violent conflicts, because of a lack of democracy and demands for better democracy.

The consequences, or problems related to these events, are: violations of human rights, the use of children fighters, juvenile delinquency, banditry, guns and drug smuggling, and the expansion of the HIV/AIDS pandemic, which threatens current and future hu-

man security in the whole region. These events also undermine political and social stability, as well as peace in the region.

With the application of Structural Adjustment Programmes (SAP), many states dedicate only a quarter of their budget to education, meeting the needs of only half of the children of school age. The same situation prevails in the field of health. In 2002, Burkina Faso, Mali, Nigeria, Benin, Sierra Leone, Guinea Bissau, and Liberia, dedicated less than $50 US per capita to health expenditures. There are less than 2 physicians per 10,000 inhabitants, whereas WHO standards require one physician per 1000 inhabitants. Child mortality varies between 2.6% (Cape Verde) and 16.6% (Sierra Leone). In West Africa, life expectancy varies between 69 years (Cape Verde) and 37 years (Sierra Leone).

AIDS is ravaging the youth, the most dynamic and productive force in our society. In 2005, 64% of HIV positive people in the world were in Africa, yet Africa's population only accounts for 10% of the world's population. Among its 255 million inhabitants, 46% (117.30 million people) have no access to drinkable water, and 52% (132.6 million people) have no access to safe sanitation.

Unemployment is also on the rise in towns, mainly among graduated youth and workers due to the restructuring, privatising, and closing of various enterprises. According to a study conducted by the ILO in 7 major cities in West Africa, the average unemployment rate is about 11.4%. The rate went up to 15.4% in Ouagadougou, and 13.5% in Abidjan. The study underscores the fact that if nothing is done quickly to address the situation among youth, social unrest could be exacerbated. It is like a delayed social bomb. Wars in Liberia and Sierra Leone have widely confirmed this concern as the number of youngsters and children involved in fighting, and used to commit atrocities, continues to increase.

For sure, African economies are undergoing some improvement with a positive economic growth of 3-5% in West Africa. But this is not enough to curb the current evils, to give hope to young people and peasant farmers, who are more and more worried about their future and about the consequences of globalisation. Answers are far from being positive in the near future. To reach the Millennium Development Goal of reducing poverty by half by 2015, growth in

employment opportunities should reach 7% and be sustained for several years.

The search for new policies, strategies, and actions has become a "must" for Africa if she wants to better feed her people, provide them with better health care, provide jobs to job hunters, educate children, and protect the environment; in brief, to promote human development and sustainable peace, and to benefit from globalisation. But all this cannot be conceived and implemented without the participation of citizens, without the real involvement of civil society in political and economic governance in the various states.

Co-operatives, being private enterprises and civil society associations, have a very important role to play in creating and distributing wealth between their members, to fight against exclusion within the community, and play a key role in promoting education and social/ political dialogue.

The Political Situation

At the political level, democratisation processes are ongoing in West Africa and are experiencing various fortunes. Changes in the political life of each of these countries is occurring differently, according to their specific sociological and historical realities, economic features, stakes, and the personalities of the political leaders in office.

Liberia (November 2005) and Benin (March 2006) democratically elected newcomers as their heads of states. Liberia has a woman president, a novelty and a sign of hope for Africa. On the other hand, in Burkina Faso and Guinea Conakry, the constitutions have been amended to enable both heads of states to be re-elected as many times as they want. The opposition of civil society did not prevent these constitutional amendments. The Nigerian head of state attempted the same, but did not succeed because of strong opposition from political parties and civil society organizations. In Côte d'Ivoire, the current head of state, as well as his two predecessors, opposed the candidacy of their political rival from the north of the country in all ways possible. This behaviour has thrown the country into a civil war that has lasted since September 2002. As a result of this political unrest, we find the division of the country into two zones - the north and the south, increased levels of insecurity, and the closing of various economic enterprises, schools, and hospitals.

There have also been human rights violations, an increase in crimes and in murders (including the murder of journalists), rape is more common, and foreigners are fleeing the country to seek refuge elsewhere because they are victims of physical violence.

The civil war in Côte d'Ivoire arises from a combination of political, ethnic, religious, land tenure, sociological, economic, and historical causes. Negotiations and actions are being undertaken in order to organise elections in 2006. In Mauritania, a coup was made in 2005 to overthrow the former head of state because of bad democratic governance. In Togo, the constitution has been amended and the army intervened to allow the election of the former president's son as the new president in April 2005. In the other countries, with the exception of Gambia and Guinea Conakry, the democratic processes are taking place in good conditions.

After only 15 years of democratic processes, there are problems stemming from corruption, electoral fraud, increased poverty, and unemployment, as well as the lack of political discussion. "Democracy does not feed anybody," as the saying goes. Democracy was perceived by most people and by intellectuals as a panacea for all evils, especially for the economic crisis and its effects (unemployment, extreme poverty, etc.), the school and university crisis, and mostly corruption and autocracy.

Civil society organizations have succeeded in mobilising citizens around topics and objectives which address their concerns and needs. In fact, the western style democracy, which is being applied in our countries, is a new concept, a new paradigm, a new ethic, and calls for informed behaviour, a new model that encourages participation from the common citizen, as well as political leaders. However, a possible future concern is that it is quite common to hear political speeches and political campaigns preaching regionalism, some political parties are even based on regional origin.

The non-application of democratic values and principles put our various societies at risk. The civil wars in Liberia, Sierra Leone, and Côte d'Ivoire illustrate these risks.

THE GENERAL SITUATION OF CO-OPERATIVES

The globalization process, the privatization of national economies, SAP, and the democratization process, all require changes in West African countries. These changes stand as opportunities, risks, and challenges, all at the same time. The co-operatives, which gather small-scale farmers, low-income micro-finance savers, or small-scale consumers, are facing stronger and more diversified competition that they need to address through creativity, adaptability, competence, and professionalism. The co-operatives must meet their members' needs, and simultaneously be competitive in the market.

Citizens of West African nations have become aware of the need to get organized in order to solve their problems, reduce their poverty, and meet their funding needs. They have thus created, by and for themselves, formal and semi-formal, traditional and modern, rural and urban organizations and schemes, for the collection of savings and financing, and for providing micro-health insurance services.

The situation of co-operatives in the region is marked by political and co-operative legislation adjustments, the drive for privatization, and by the adjustments of co-operatives to these changing and challenging environments.

Co-operative Policies and Legislation
There is a growing awareness of co-operative policies and legislation, which is translated through co-operative reform programmes. The ICA, the ILO, CCA/Canada, and SCC/Sweden, have supported co-operative policies and legislation review programmes that have resulted in new co-operative policies and legislation.

One recurrent question is whether co-op legislation must be based only on the Rochdale model or if co-operative law might be adapted to local realities and include organizations having co-operative objectives and applying co-operative principles, but named differently. The establishment of these new forms of organizations is supported by donors and NGOs, in order to implement their development programmes.

These hybrid models are numerous in West Africa, and particularly in Sahelian countries. They are predominant in the sectors of cotton, food, other crop production, and commercialisation, as well as

handicraft production, all working at the grassroots level to alleviate poverty. It is important to note that women are becoming more and more organised into autonomous or mixed groups and co-operatives in order to undertake income and savings generating activities.

These models of self-help organizations, supported by donors and NGOs, are more attractive than co-operatives in rural areas, because of the financial opportunities they offer. Some individual members of conventional co-operatives are tending to shift to these new forms of organizations.

Since January 1, 1998, 14 francophone countries have adopted a common business law and accounting system, which makes no reference to co-operatives. In the same period, the francophone countries also adopted a common, specific law to regulate and separately operate saving and credit co-operatives.

Privatisation and Co-operative Adjustment
Several farmer co-operatives in West Africa are made up of small-scale producers, who are concerned about the risks resulting from the instability of raw material prices. The reduction of poverty, and the future of farmer co-operatives dealing with raw materials, depends mainly on new approaches and future mechanisms that will be put in place.

Change and transition are evident in many co-operatives in West Africa. The coffee, cocoa, cotton, and peanut sectors have been fully or partially privatised in Burkina, Côte d'Ivoire, Benin, Ghana, Guinea, Senegal, and Nigeria. In the coffee and cocoa sectors, co-operatives in Côte d'Ivoire came together and established a national coffee and cocoa commodity exchange to export their members' produce. Some regional unions have established commercial alliances with some private companies. In Benin, agricultural co-operatives and farmer organizations have established a national co-operative union of agricultural inputs (to purchase inputs in bulk) as a response to the privatization of this sector. The Conseil National de Concertation et de Co-opération des Ruraux (CNCR) in Senegal, the Federation National Des Organizations Paysannes (FENOP), the Confederation Paysanne du Faso (CPF) in Burkina, the co-operative federations and unions in the coffee, cocoa, and cotton sec-

tors in Benin, Côte d'Ivoire, and Mali, have strong lobbying and negotiating relations with public authorities and donors.

These new organizations in Benin, Burkina, and Senegal play an active role in negotiations with governments and donors. In Benin and Côte d'Ivoire, farmer and co-operative organizations have organized demonstrations to protest against some decisions made by the government regarding privatization and price deregulation. The farmer organizations have set up a regional farmers association in West Africa to negotiate and lobby against the American subsidies on cotton. They attended the last session of the Cancun negotiations on agricultural subsidies.

The savings and credit co-operatives continue to enjoy continued growth and prosperity, thanks to the mobilization of members' resources and to continuing external support. Savings and credit co-operative in francophone countries have undertaken a process to establish a network or an association that will cover the whole region.

Health co-operatives in Benin, forestry co-operatives in Côte d'Ivoire, and handicraft and production co-operatives (such as carpentry, mechanics, agricultural equipment, handicrafts) are examples that illustrate the ability of co-operatives to contribute to resolving crucial problems such as health care, environmental issues, and job creation. Many co-operatives are making adjustments and restructuring because they are well aware of the fact that their salvation will not come from outside, but from within.

Both northern and southern co-operatives must take advantage of the opportunities offered by the current privatization process in the sectors of processing and export to establish alliances and economic partnerships for marketing, or joint financial ventures. For the time being, only private companies or multinationals benefit from current opportunities offered by privatization in Africa. It is in this context that co-operatives are operating and must face many challenges.

CO-OPERATIVE RESPONSES TO PEACE BUILDING

Co-operative Principles and Peace Building

According to the ICA's statement of co-operative identity, a co-operative is, "an autonomous association of persons, united voluntarily,

to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise."[1]

This definition contains some key words and strong ideas, which are important to note in discussing how co-operatives in West Africa are contributing to peace building in their homeland.

1. *Autonomy and Freedom of Enterprise*—stand as the basic values, the negation of which is the cause of the violation of basic human rights, often leading to local, regional, and even national conflicts at a country level. This freedom should be envisaged within a context of values such as equity, justice, and equality at the national and international levels. Without those values, the freedom of enterprises runs the risk of becoming empty words.

2. *Aspirations*—including peace, are an essential component for people and for community.

3. *Economic, Social, and Cultural Needs*—the inability to attain or meet one's needs often creates injustices and frustrations, and are often the causes of community and inter-community conflicts.

4. *The Enterprise*—strictly speaking, economically and legally stable enterprises are the only means for people to meet their needs with dignity and without depending on the state or outside assistance.

5. *Joint Ownership*—the lack of recognition of which has led, and still leads to, numerous conflicts.

6. *Democratic Power*—learning democratic processes and how to apply them contributes to safeguarding and consolidating peace.

We can see the key words and strong ideas contained in the definition of co-operatives are also contained in the concept and values of peace keeping and peace building. Co-operative principles have been revised several times to enable co-operatives to adjust to their time and space, despite the numerous conflicts around the world. In 1995, the ICA adopted 7 principles, after a long process of analysis and consultation around the world. How do these 7 principles fit

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1 For more on the Co-operative Statement of Identity and Principles visit the ICA website at: http://www.ica.co-op/co-op/principles.html

within peace building processes? Here, I will limit the analysis to a few of them.

The first principle states that co-operatives are open to all persons able to use their services, and willing to accept the responsibilities, without discrimination. This principle, based on freedom and respect for individual and collective values and beliefs, helps foster peace building at the local and community level. In West Africa, numerous co-operatives accept members from various ethnic groups, beliefs, and communities. This is particularly the case of savings and credit co-operatives in Togo, Benin, and Nigeria. Another example is housing co-operatives in the Kou Valley in western Burkina, which houses agricultural producers from various political, religious, and ethnic groups in the country. The same applies to the Federation of Savings and Credit Agricultural Co-operatives and Mutuals (FECE-CAM) in Benin.

The second principle states that co-operatives are democratic organizations controlled by their members. The twin sisters of peace building are democracy and respect for human rights. Co-operatives are schools of democracy. The new formulation of this principle sought to respect human rights of all genders, taking into account the gender concept and deleting "one man, one vote" and replacing it with "one member, one vote," thereby, wiping out any gender related ambiguity. It introduces the concept of equality in people's minds, canceling any risk of conflicts, and contributing to peace building in people's mentality at the community level.

The fourth principle states that co-operatives are autonomous and independent organizations. This principle enables co-operatives to remain independent from political authorities and ideologies, the source of numerous conflicts in Africa in the past. During the revolutionary periods in Benin (1972-1990) and Burkina Faso (1983-1987), agricultural co-operatives established before these periods managed to preserve cohesion and social stability in rural areas, thus helping to safeguard peace. In Togo, the Federation of Savings and Credit Co-operatives (FUCEC) was one of the rare organizations to remain neutral and bring people together during the various sociopolitical conflicts the country underwent. Primary co-operatives af-

filiated with FUCEC provided services to all members without any ethnic or political distinction.

The application of the sixth principle encourages co-operation among co-operatives, and states that co-operatives are essential for peace building. Thanks to inter-co-operation, co-operatives can establish alliances and set up economic entities that are more capable of resisting competition and more suitable for participation in the market place than separate co-ops. These alliances are also a powerful, inter-community means of cohesion and integration at the regional and national levels. Coffee and cacao co-operative unions and federations have continued to market the produce of their members without discrimination for their community origins, despite inter-community conflicts.

The francophone countries of West Africa have been experimenting for some years with new structures for co-operatives, such as agricultural producer groupings and other associations, federations, and councils. They have been established at the national, regional, and inter-states levels. The objectives, mandates, and by-laws of these apex organizations make them economic bodies, as well as political/social promotion bodies lobbying for their members. They contribute to creating a foundation for peace by allowing the voices of voiceless people to be heard and defending their interests. Some examples include: The National Rural Consultation Council (CNCR) in Senegal, the Network of Farmer Organizations in West Africa (ROPPA), and the Association of African Cotton Producers (APROCA). All have demonstrated their negotiation and lobbying capacity at the national, regional, and international levels, such as in Cancun during the negotiations on cotton subsidies.

The seventh principle is, by nature, the most suitable to peace building at the local and community level. Co-operatives, by contributing to the sustainable development of their community, make it possible to address the negative effects of political options related to poor distribution of resources and development projects, which are sources of frustrations and conflicts at the local level. This principle is certainly the one most commonly applied in Africa in terms of collective, socio-cultural, community investment. Co-operatives

in West Africa are strongly involved in community-based, social, cultural, and ecological activities.

Co-operatives and village groups involved in the collection and marketing of cotton (Burkina, Côte d'Ivoire, Mali), groundnut (Senegal), coffee and cocoa (Côte d'Ivoire, Ghana) often collect commissions called "ristournes." Most of these organizations invest a significant sum in socio-community activities (schools, dispensaries, feeder roads, accommodations for civil servants, pharmacy shops, etc.)

In Côte d'Ivoire, "co-operative like" organizations invested about $26 million US in community-based activities. It is estimated they create about 10,000 permanent jobs each year. In all the Sahelian countries, cereal banks, which represent a particular form of co-operative, play a major role during the lean season. They buy cereals in times of over-production, store them in small village warehouses, and later on resell the cereals to the people in time of shortage. These cereal banks play a double function by quickly supplying needy people and by stabilizing the price for staple crops (sorghum and maize) on local markets.

Reforestation activities and the construction of small anti-erosion structures are carried out by co-operatives and village groups, which contribute to the fight against desertification and the protection of the environment in rural areas in Sahelian countries. Environmental protection coupled with good management of grazing areas reduces conflicts between farmers and nomad pastoralists and contributes to peace building between both communities.

Peace Building and Poverty Alleviation through Co-operatives
Every day, poverty is gaining ground almost everywhere in the world. In Africa in general, and in West Africa in particular, co-operative members at the rural level are more and more affected by increasing levels of poverty. This is why the ICA's regional strategy and programme for West Africa has given priority to poverty reduction. The ICA Regional Representation in West Africa has committed itself to this policy since 1994 by supporting the Federation of Agricultural Savings and Credit Co-operatives and Mutuals (FECECAM) in Benin, the National Union of Agricultural Co-operatives (UNCAS) in Senegal, the Chamen Self-Development and Training Centre (CS-DTC), a self-promotion institution in Gambia, the Regional Unit

of Co-operatives of Bam in Burkina Faso (URCBAM), and Union Namanegbzanga des Groupements villageois de la zone de Tanlili (UNGVT) in Burkina Faso.

Women's self help organizations are the primary target groups of these strategies and programmes. Why did the strategy and the programme target women's self help organizations?

- Women, who account for more than 50% of the population, are the most vulnerable and the most affected by poverty. They are also the ones most often marginalized.
- At the same time women are mothers and spouses and very important economic and social agents.
- Given the above described circumstances, women are strategic change agents.
- Educating women equates to educating a nation.

The main goals of the women's self-help programmes are training, encouraging savings and credit, developing micro health insurance plans, and income generating activities (handicraft, small–scale animal rearing, petty trade, etc.). These programmes have a three-fold purpose:

- The integration of a gender and development (GED) approach into co-operatives,
- The voluntary mobilization of internal financial and human resources within primary co-operatives, and
- Fighting against poverty through the generation of women's income and their acquisition of knowledge (literacy), know how (technical training), and improvement to health care (insurance system).

CO-OPERATIVES AND PEACE BUILDING THROUGH DEVELOPMENT PROJECTS

What is the strategic link between co-operatives and peace building? Development, poverty alleviation, co-operatives, and peace building are based on a common set of ethics and values, such as responsibility, mutual respect and acceptance, equity, transparency, and democracy. Perhaps the best example of this came from a farmer we met some years ago in the village of Kani, in the cotton production area

of Burkina Faso. Mr Bonou explained that the cotton producers co-operative and the saving and credit co-operative in his village are not only economic institutions; they are also peace keepers. Mr Bonou claimed that the five ethnic groups in the village freely used and benefited from the two organizations. Nobody was rich and nobody was poor. He was not sure the five ethnic groups could live peacefully together without the two organizations.

As mentioned above, poverty is a risk factor and can lead to conflicts and wars. The best way to address this risk is to fight against poverty by reducing its causes. Despite some reservations and ill effects, this is why many international partners, NGOs, and national governments are committed to development projects and programmes in Africa.

Co-operatives are often associated or invited to join in the implementation or management of such projects and programmes. Following are some in-depth examples of how co-operatives have been instrumental in contributing to poverty alleviation and peace building.

Union Régionale des Co-opératives du Bam (URC-BAM), Burkina Faso

The poverty alleviation programme conducted by URC-BAM in Kongoussi, about 150 kilometers north of Ouagadougou, in a very dry and poor rural area, is oriented to women organised in small village groups. Its activities include: individual loan and savings programmes, income generating activities, mutual health insurance, and group training.

The health insurance system implemented by URC-BAM is based on small credits. The women can have a small insurance credit to help themselves when they are sick or to treat their children's diseases (0 to 13 years old). The credit has a 3% interest rate and is repayable in 4 or 5 months. URC-BAM signed agreements with local pharmacies and health centres to provide services to its individual women members. Every affiliated woman is given a pad of stamped vouchers bearing her name and the name of the insured children.

The outcomes of the programme in the year 2001—2002 are as follows:

- 8 village groups were involved with about 536 women benefiting from loans totalling $36,000 US to undertake income generating activities.
- 6,000 women and children are benefiting from the health insurance service.
- The impact of the health insurance is very important, considering the lack of social insurance and the high poverty levels in the area. About 85% of the population live below the poverty line.
- About $46,000 US has been saved.
- About 1,750 women have been trained.
- A training unit and an HIV/AIDS sensitisation committee have been created.
- About 40 women took part in two study trips in Benin and Senegal, which enabled them to exchange ideas and experiences with other women. Participation in these events contributed to enhancing their responsibility in their own organizations and increased awareness of gender equity in the villages concerned.

The SYNDICOOP Programme

This project has been initiated and executed by the ILO, in collaboration with the ICA and the International Confederation of Free Trade Unions (ICFTU). According to the three partners, the project aims to build the capacities of trade unions and national co-operatives, to help them organise the workers of the informal economy so that they can work in decent and secure conditions, to improve their incomes, and to fight against poverty. The programme was carried out in Rwanda, Kenya, Tanzania, and Uganda.

Here I will discuss the case of Rwanda, because of the consequences of genocide in this country. Genocide has wiped out thousands of people and left behind many widows and orphans without employment, without income, and without social welfare. It has thrown the country into deep inter-community resentment. The Rwandan government has undertaken immense work around reconciliation, justice, forgiveness, and national reconstruction.

The SYNDICOOP project in this context, supported the creation of several co-operatives, among which are the Amizero Women's As-

sociation in Kigali, and the Assetamorwa motor cycle taxi drivers co-operative. The Amizero co-op brings together women, many of them widows. Within the context of their collective enterprise, they collect household waste and recycle it to make compost that they sell to flower and vegetable producers in Kigali.

The motor cycle taxi drivers' co-operative attracts young people who create jobs for themselves by providing motor transport services to people. Besides the transport service, the co-operative provides motor maintenance and repair services and has mechanics and driver training centres (driving schools) for the country's young people.

Both success stories demonstrate, in concrete terms, the important role co-operatives can play after a civil war and/or genocide, by creating decent jobs, permanent incomes, and the necessary conditions for reconciliation and national integration. Thus, they contribute to building and consolidating peace.

The Forests Workers Co-operative of Cote d'Ivoire
The Nobel Peace Prize, awarded in 2004 to Mrs Wangari Maathai, fervent protector of human rights, activist, and ecologist from Kenya, fully expresses the importance of the links between environment, economics, and peace. Poor rainfall, droughts, and soil impoverishment, which result in food shortages, rural exodus, and migrations, are the unfortunate outcome of deforestation in Sahelian and costal countries, and in previously richly forested states as well.

The forests of Cote d'Ivoire not only disappeared at a breathtaking speed, but their exploitation was also a source of inter-community conflict, which sometimes resulted in the death of many people. All these considerations, and this conviction, lead SOCODEVI, from Canada, to initiate and promote co-operatives of forest workers in the 1990s in Cote d'Ivoire. The Forest Workers Co-operatives (CFW) gathered young, unemployed people and provided them with training, employment, and incomes.

The experience of CFW has shown to surrounding populations that they can rationally work the forests, preserve them, and leave them as a collective heritage for future generations. Between 1992 and 1996, four forest co-ops created 330 permanent jobs, 132 seasonal jobs, and planted more than 2,600,000 trees.

This experience also created a new spirit of hope and peace for the riverside residents and helped them understand how to better utilize their common property.

Agricultural Irrigations Projects
Because of insufficient rainfall and frequent food shortages, the governments of the Sahelian countries, with the assistance of donors, built dams or developed large farming areas along major rivers.

These favourable agriculture lands were given to co-operatives whose members come from the local population, migrants, or colonists coming from various regions of the country. Some co-operatives gathered 100 to 200 farmers from different ethnic and social origins. This is the case of the Kou co-operative in Burkina Faso and that of Timbuktu in Mali.

The major crops in these areas are rice, maize, potatoes, green beans, tropical fruit trees, and some small-scale animal husbandry. Some of the incomes generated from these activities were invested in community infrastructure, like schools and health centres, which benefit the whole community.

These co-operatives, which contribute to the welfare and food self-sufficiency of the people, also foster national integration and contribute to peace building.

CONCLUSIONS AND RECOMMENDATIONS

The issue of co-operatives and peace building should be considered from a comprehensive perspective and analysis, because co-operatives and peace are built in a given context, be it local, regional, national, or international. People are at the centre of the values, principles, and ideals guiding these two concepts and practices. My conclusions and recommendations will therefore pertain to the individual people, the community, co-operatives, the public institutions, civil society, the national political leaders, and international decisions makers.

1. *Capacity Building*—Besides the usual training in business administration and discussions of co-operative values and principles, training must also cover new subjects like citizenship, human rights, women's rights, children's rights, the fight against HIV/AIDS, the environment, and ecology.

236

2. *Self-adjustment and Implementation of Co-operative By-laws*—African co-operatives should endeavour to adjust to their changing environments, marked by privatisation, competition, professionalism, and globalisation. To better play their role as democratic organizations and stand as models in their community, co-operatives should strictly comply with their own by-laws, co-operative legislation, and co-op principles. If they do so, they can be used as models of justice, equity, and solidarity, which could further contribute to rooting democracy and peace in communities.

3. *Using Participatory Approaches*—Using a participatory approach, communities can create an enabling political, institutional, and legal environment for the formation and development of co-operatives and other forms of self-help organizations.

4. *Poverty Reduction Programmes*—Poverty reduction programmes should be intensified, and involve local populations and co-operative members in the design, implementation, and evaluation of these programmes. Poverty reduction programmes should not be limited to aid, but should also emphasize self-help and self-reliance to reduce dependence on aid.

5. *Networking*—It is helpful to promote networking between co-operatives from the south and the north in order to share experiences and develop strategic alliances to make the most out global competition and globalisation.

6. *Promote Co-operative Models Of Success*—The role of co-operatives, best practices, and success stories should be better known to raise the profile of co-operatives and counterbalance the bad image people have of co-operatives in some countries.

7. *Strengthen Democratic Organizations*—Co-operatives are schools for democracy and can help raise the level of awareness and participation of local populations in the effort to increase democratisation for national and local, good governance. The fight against corruption should also be intensified.

8. *Enhanced Economic Benefits*—The world has become a global village. The spreading of bird flu, migrations of "boat people" from West Africa, and the new technologies of information and communication, are perfect illustrations of this. With all these

global changes it becomes increasingly urgent to find new systems and mechanisms to set fair prices for raw materials on the international market. Fair prices will enable southern producers to live decently on the fruits of their labour. Without this, peace will remain an empty word and we run the risk of exporting all the negative characteristics and evils of under-development (poverty, insecurity, conflicts, and social violence).

NELSON KURIA OGW

The Role of Co-operatives in the Promotion of Peace in Kenya

Coming from Africa, a continent whose story reads like a chronicle of perpetual doom - opening with slavery and colonial oppression, followed by a short-lived, post-independence period, soon overshadowed by a state of gross mismanagement, civil wars, political turmoil, and economic regression - I want to look at co-operatives and their contribution to promoting peace from a Kenyan perspective.

In such circumstances, peace is truly a precious commodity. Like most African people, Kenyans are facing severe economic, political, and social crises. But their biggest problem is that of poverty. Indeed, it is both pressing and depressing. The moment you look at the manifestations of poverty, you also get to see the role co-operatives play in terms of dealing with this big menace.

Of course, one of the manifestations of poverty is hunger. In Africa it is estimated that one out of three Africans does not have enough to eat; that is a problem of having a very low income. What it means is that most of our people, between 55 and 60 per cent of the total population, live below the poverty line – less than one US dollar per

day. It means that poor people cannot afford to feed, cloth, shelter, or even educate their children - getting them into even deeper poverty and social exclusion.

Another manifestation, and a very serious one, is disease. In most of Africa and Kenya, poverty means disease, which means pain, the inability to work, and even death. The critical thing is: Africa is plagued by numerous diseases, most of them infectious - the most debilitating being malaria. Many of these diseases are preventable. They have literally vanished in most of the developed world, but they are still in existence on our continent, and Kenya in particular. These diseases are killing millions of people every year.

A third manifestation of poverty is de-humanization and the under-minding of human dignity. Finally, another manifestation is injustice. Of course, poverty means injustice.

In Kenya, where I come from, you are also talking about inequality. And of course, it is unjust for a few of us Kenyans, or any Africans for that matter, to live in opulence and great luxury while the majority of our fellow countrymen live in abject poverty, oppressed by hunger and disease. That is the context in which I will be looking at the co-operative movement and what it can do in terms of addressing these very big problems.

Kenya is among the 10 most unequal countries in the world and has the dubious distinction of being the most unequal nation in East Africa in terms of income distribution. At the same time, the co-operative movement in Kenya is quite expansive. As a matter of fact, it is the most developed on the continent. It appears, at the very onset, that there is a contradiction. We are talking about a nation that has the most developed co-operative movement on the continent and yet has the dubious distinction of being one of the most unequal. However, what I want to point out is that at the time of independence, the level of inequality was very high. Since then, the co-operative movement has become a vehicle to address this inequality and the government has actively promoted co-operatives in Kenya.[1]

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1 In reference to African socialism and its application to planning in Kenya (the bases of which was set out in a sessional paper published in 1965), the objectives, as outlined in the paper, included individual freedom, political equality, social justice, human dignity, and freedom - all things that are very much akin to the co-operative principles and values.

I think if it were not for co-operatives in Kenya, there would have been more serious conflict resulting in violence and civil war. I want to emphasize that, even though Kenya is most unequal in terms of income distribution, the inequality has been gradually reduced with the intervention of co-operatives.

When you look at the structure of the co-operative movement in Kenya, the financial co-operatives dominate, followed by agricultural marketing co-operatives. In many instances, financial co-operatives are the only source of finances available, particularly in most of rural Kenya, where mainstream banks have closed their branches. For the majority of Kenyans, financial co-operatives are the only avenue for remaining in the mainstream of economic activity. That is how important financial co-operatives are. They are also the only means of financing agriculture, because classical and commercial banks have shunned the financing of agriculture, even though agriculture is the mainstay of the economy. It is the main source of livelihood for most Kenyans. So you can see the role co-operatives are playing from a very, very practical point of view.

As mentioned, inequality is not only an economic issue; it is a human rights issue. The exclusion that contributes to the grave inequality in Kenya, of course speaks of human rights violations. I see a big role for co-operatives in terms of addressing this, because co-operatives have the capacity of not only addressing the roots of the problem, but they also have the capacity to redistribute wealth. This is a key role that co-operatives play in Kenya to address inequality and poverty. First of all, to redistribute wealth, co-operatives are a model that is very effective. You can have development and at the same time have a more egalitarian distribution of wealth and resources.

Co-operatives have also assisted in addressing the problem of ethnicity in Kenya, which is a very serious problem, particularly in the political arena. At the CIC (Co-operative Insurance Company of Kenya) itself, we have endeavored to promote security, and hence, peace. We are a company that has pioneered in the area of community policing, which has even been emulated by the Kenyan government in the last year. Now community policing is the "in-thing" in Kenya, courtesy of CIC. We are also talking about empowering the informal sector. The informal sector is an area that is riddled with

conflict and violence. It is a dangerous affair and common to see headlines such as: "Policemen stomped to death and three workers die of gunshot wounds." This is a normal occurrence in Nairobi. What we are doing as a company is working to bring members of the informal sector together. One of the things we are doing is providing them with access to micro-insurance services and careers that are sustainable, so that there is some level of development for them and they are able to bring themselves out of poverty.

Co-operatives, in conjunction with civil society, may actually change the continent's desperate situation, which, as I have already said, is a breeding ground for conflict and violence. We must replace human degradation with human dignity, poverty and hunger with prosperity, disease with health, oppression with freedom, injustice with justice, and conflict with peace using co-operatives.

SHIMELLES TENAW

The Role of Informal Co-ops in Peace Building at the Local Level in North West Ethiopia

In Ethiopia, where there is a multitude of ethnic groups, the lack of durable peace has been one of the key factors causing increasing poverty and its further aggravation in the country. Considerable structural changes have occurred in the entire society due to the changing political environment since the 1970s. Apparently, this has had a major impact on local people, as it hampers their livelihood. In spite of the prevailing problems, the people have to find a way to survive. Hence, especially among the poorest segments of the population, co-operation has become a high priority.

The aim of this paper is to examine how locally-based, informal types of co-operative societies contribute to community building and cohesiveness, and sustain some economic activity, which in turn contributes to a more stable, healthy, and thus peaceful, society for people living under the yoke of poverty. The structure and function of informal co-operatives, existing generally in Ethiopia, is presented in this paper, in order to discuss their potential for contributing to improvements in the socio-economic life, and maintenance of traditions and faith that enable people to lead peaceful lives, and possibly

to build sustainable development in their locality. Additionally, a couple of case examples on the versatile role of informal co-operative societies initiated by the inhabitants of Azezzo town, located in north west Ethiopia, are presented in this paper to scrutinize their operations and goals for their members and for community development.

A GLANCE AT AZEZZO TOWN

Azezzo is a small town located on the outskirts of Gondar, a provincial town in north west Ethiopia. It is surrounded by chains of mountains and lies at an altitude of 4,600 feet (1,400 m) above sea level. The average temperature ranges from 50 to 80 degrees Fahrenheit (10 to 26 c). The Demaza River, which flows through the heart of Azezzo, demarcates the military camp from the town.

Azezzo comprises three small boroughs, commonly called "Kebeles." The total population, which is estimated at 35,000, is a mixture of military and civilian people of different tribal origins. The male-female breakdown is 45% to 55% respectively, indicating that large portions of the households are headed by females. More than 45% of the population is under 15 years of age, and this contributes to a greater demand for schools and learning facilities. There are three Orthodox churches, known as Loza-Mariam, Tekele-Haimanot, and St. Michael, and one mosque.

Apart from a few government employees and small factory workers, most of the residents survive on meagre incomes through brewing local drinks, trading, gardening, raising cattle, and selling firewood and some handcrafted products. Many families are also dependent on the remittances from family members who live and work in larger towns or abroad.

In addition to the increasing poverty and political unrest (due to its location as a military base), the prevailing problem in Azezzo is the poor ecological conditions, including deforestation, overgrazing, and erosion, all of which have drastically reduced the water volume of the Demaza River, the single most important lifeline of the town.

INFORMAL CO-OPERATIVES AS GRASSROOTS NGOS IN AZEZZO
TOWN

Generally, in Ethiopia, traditional informal co-operatives have formed at the local level for various purposes in rural and urban areas and, typically, for religious and socio-economic reasons.

When it comes to religious ceremonies, such as weddings and funerals, people living in the same community form a society known as "Mehaber." They arrange wedding and funeral ceremonies collectively. Usually, in the case of a wedding, members of the informal co-operative in the community take part by contributing labour, food items, and a certain amount of money. Religious elders hold ceremonial meetings on these occasions and share food, drinks, and blessings together. When any member of the community passes away, people in the community arrange the funeral ceremony co-operatively, and in that way express their condolences.

When money saving is needed, a group of people form an informal co-operative society known as "Ekub." They gather once a month in a member's home, who hosts the members by providing them with traditional refreshments. At that time, each member pays a certain amount of money, as agreed by them, and gives this to the host. The sum so raised is then rotated among the members. This form of co-operation continues throughout the year, maintaining the same principle.

When it comes to farming and crop harvesting, rural people use a system known as "Wobbera," "Debo," or "Wonfel." This way, farmers living in the community work together helping neighbouring farm families, turn by turn, during the weeding and harvesting periods, and in cutting wood. All helpers who participate bring along with them the necessary equipment to do the work.

Such traditions have existed for a long time, and continue to the present day, primarily because they have been successful in achieving their objectives.

Informal co-operative activities, as described above, are abundant in Azezzo town and follow the same pattern found throughout Ethiopia. They are actualized as ways to find local solutions to the problems prevalent in the area, such as increasing poverty caused by

scarce access to jobs, either on a permanent or temporary basis; the lack of a durable peace, which is mainly caused by continuous war and political instability and mobilization demands of the military force based in the town; tribal conflict, which contributes to forming different opinions about state politics and biased attitudes towards each other since the inhabitants originally come from various tribes; and, environmental degradation, which has severe impact on the life of the inhabitants.

The Association for Mutual and Emergency Help of Higher 4 Area is another typical type of informal co-operative formed in the town of Azezzo. It is known locally as "Idir." The basic idea of the Association is very much in line with the principle *"Concern for Community"* and the motto *"how to encourage self-help."*

The Association, which was founded in 1994, is based in the Higher 4 Area, where there are an estimated 600 inhabitants. It operates in several sub-regions comprising 200 members, and is run with an annual budget of Eth. Birr 3000.[1] The monthly payment by members is Eth. Birr 2. The Association has its own by-laws and is administered by a 9-person, elected board. Meetings are called as deemed necessary at 2 to 3 month intervals. Retired soldiers from the town's military force, as well as civilians, are among the key persons who have played significant roles in founding the Association, whose members typically have extremely low-incomes.

The Association contributes services in various sectors to members and to non-members in the Higher 4 Area. For example, as regards humanitarian support, the Association covers hospital treatment costs of any member in case of sickness, it provides financial support and labour as deemed necessary to any member whenever he/she initiates any kind of development work which involves the community. The Association occasionally arranges meetings with invited officials and experts to discuss community development and environmental degradation, thereby allowing members to exchange views with decision makers. As part of community development, the Association has undertaken the task of renovating the elementary and secondary schools operating in the area.

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1 100 Eth. Birr = 11.45 USD

Members of the sub-regions of the Association conduct wedding feasts and baptizing ceremonies collectively by preparing meals and drinks together with the host family in order to minimize the cost. The Association recognizes that people in the community can not afford to manage all alone. In particular, when it comes to funeral ceremonies the whole function is undertaken by members of the association; for example, they assist with arrangements for a coffin, the erecting of a tent where the host receives guests, meal preparation, and the sharing that can last for many days and evenings.

Religious activity is one arena which has a significant role in the everyday life of the people in Azezzo town. This is mainly due to the vast Orthodox Christian population, for whom their faith is a symbol of peace. Thus, it is a tradition that in different sub-regions of Higher 4 Area, there are a number of informal types of religious co-operative associations. The most commonly known of them is what is locally known as "Senbete" (Sunday); usually formed by up to 25 members belonging to the Orthodox Christian faith in different sub-regions. The basic purpose of the Association is to get together in a host member's home on the last Sunday of each month to socialize religiously, to help each other in arranging monthly/annual religious ceremonies, and to make charity contributions in case of death and funerals.[2]

CONCLUSIONS

The mode and operational environment of informal co-operatives at the local level in Ethiopia has been examined in this paper because of their importance for people living in harsh situations. Such organizations should be given a high priority in times of disaster and conflict. The various forms of locally-based, informal co-operative associations in Azezzo town in north west Ethiopia show that whatever political changes take place at the state level, informal co-operatives have value for the local people and for community development.

In the case of poor societies, such as Ethiopia, tribal conflicts are not necessarily initiated by the people themselves. In fact, the existence of different habits, languages, and cultures can be significant

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2 The money collected from the membership might be 1 Eth. Birr per person, per month.

assets for promoting development with mutual understanding in the Ethiopian society. In order to alleviate poverty, the fight in poor countries should focus on socio-economic development via strong co-operation. Through the work of the informal co-operative associations in Azezzo town, people of different tribal origins have been integrated into the community because the main interest of the people is to manage life within the possibilities available to them.

Taking into account the above mentioned facts, it can be claimed that co-operative values and principles have an immense role to play. The challenge becomes shifting the operation of informal co-operatives to formal co-operatives in accordance with the co-operative principles and values, a shift that requires the approval and support of respective governments in developing countries. In this regard, the 7th principle of co-operative identity, *"Concern for Community,"* should be highlighted. Co-op studies researchers should be encouraged to examine the experience of successful co-operatives in "developed countries," and consider how these approaches could be adopted in "developing countries," such as Ethiopia.

CO-OPS & PEACE IN RECONSTRUCTION PERIODS

DR. SAID MUHAMMAD

Rebuilding Aceh after the Tsunami & the Peace Accord

Aceh is a province on the northern tip of the Sumatra Island in Indonesia, covering an area of 250,000 sq. km. It sits on the Strait of Malacca, one of the busiest ocean highways in the world with around 50,000 ships passing through the Strait each year, carrying a quarter of the world's trade.

The dominant foreign influences that have shaped modern Aceh are Arabic, European, Chinese, and Indian. Located 1,700 km from the central government in Jakarta, Aceh's geographical isolation may have been the reason why it was neglected in terms of a social development policy. This is apparent in the inadequate provision of health and educational services, and the fact that, in many areas of Aceh, access to clean drinking water, electricity, telephones, and paved roads are limited. Much of Aceh is covered by beautiful rainforests, lowland swamps, and coastal mangrove forests.

In the past, Aceh was known for its political independence and fierce resistance to control by outsiders, including the former Dutch colonists and the Indonesian government. From 1976 until the tsunami in 2004, Aceh was torn by a separatist conflict, waged by the

Free Aceh Movement (GAM) against the Jakarta government, rooted in disputes over the control of resources and debates over cultural and religious issues. Aceh has substantial natural resources, including oil and gas. Relative to most of Indonesia, it is a religiously conservative area.

In Aceh, 98 per cent of the population is Moslem. However, the people of Aceh are by-and-large, a minority in Indonesia, representing only about 2 per cent of the country's total population of 220 million. Aceh's population of 4 million is a tapestry of ethnic diversity: the Acehnese, Gayonese, Alas, and Tamiang are the four main ethnic groups. Four smaller groups are the Ulu Singkil, Kluet, Aneuk Jamee, and Simeuleu. There are several major different languages in Aceh that vary depending on ethnic group and location. The Acehnese are the largest group, representing about 90 per cent of the population. Most people have settled along Aceh's coastline, with smaller numbers in the inland areas.

Aceh has been a significant trading centre since the sixteenth century. The Acehnese economy developed around traditional farming, forestry, and fishing, as well as local crafts. The main staples of the Acehnese economy are coffee, pepper, rice, rubber, and timber. A substantial proportion of the population are fishermen, although many continue to struggle in the aftermath of the December 2004 tsunami, which severely devastated coastal areas. The territory is also endowed with natural gas, oil, gold, tin, platinum, and coal.

Aceh possesses one of Indonesia's largest reserves of oil and natural gas; however, many Acehnese people feel that most of the economic benefits of the region's great natural resources, especially oil, have left the region and benefited the Jakarta government and foreign corporations instead of local residents. A number of multilateral corporations, such as Exxon Mobil, maintain a presence in Aceh. After the tsunami in December, peace negotiations commenced in Helsinki, Finland, between the Indonesian government and GAM, and an agreement was reached giving the province more control over the revenues from their natural resources.

THE 2004 TSUNAMI AND THE ROLE OF CO-OPS

On December 26th 2004, an earthquake of magnitude 9 on the Richter scale triggered a tsunami that overwhelmed the coastal area of several countries bordering the Indian Ocean. However, the epicentre of this major earthquake was located off the western coast of northern Sumatra, particularly Aceh; hence this area has been the most devastated.

The figures in May 2006 indicated that in Aceh province alone between 135,000 and 238,000 persons died or went missing, and about 500,000 were displaced; many now are living in temporary makeshift tents, spontaneous camps, or in the more recently built houses, living centres or with host families. In addition to the casualties, the tidal wave totally destroyed infrastructure within a strip of 1 to 2 km from the seashore, leading to a complete depletion of peoples' livelihoods. The massive destruction of production assets, such as agriculture, fisheries, markets, roads, etc. has seriously jeopardized the capacities of the tsunami-affected population to recover its self-sufficiency.

The Indonesian government and the World Bank estimate the total bill for the destruction of property and businesses at more than USD 4.4 billion. About 700,000 people are homeless, and farmers, fishermen, and others with small businesses have lost their livelihoods and cannot rebuild their homes because they have lost their income.

Co-operatives are important enterprises that can help the growth and development of a people's economy. The post-tsunami environment has been perplexing and created confusion in the marketplace because of the abundant and sudden influx of food, medicines, and basic goods that were released overnight in a region so devastated both from the human and infrastructure viewpoint. Coordinating the distribution of food and commodities is a massive task, and coordination is not easy at all. The sudden arrival of so many foreign relief agencies did not necessarily help ensure that all aid and relief supplies reached the hands of the neediest survivors. The Agency for Rehabilitation and Reconstruction of Aceh and Nias (popularly known as BRR) was subsequently established to oversee and coordinate the massive work ahead.

The tsunami destroyed 536 co-operatives in 9 sub-districts and 89 villages in Banda Aceh alone. An important need has been the restoration of at least 33 co-operatives that are still functioning so that they may help with the distribution of food and other basic commodities through small kiosks. Fisheries co-operatives, which were badly hit by the tsunami, must rebuild - not through handouts - but by restoring their livelihoods.

Some of the problems encountered by the 653 co-ops that can no longer operate after the tsunami are: a) total destruction of their office buildings, b) loss of office furniture, c) demise of board members and staff, d) in the co-op stores the supply of goods were swept away by the tidal wave, and e) capital for the co-ops, which is currently non-existent.

Work has begun to reconstruct these co-operatives through the unfailing efforts of Mr. Ibnoe Soedjono and Mr. Robby Tulus, who together coordinated the efforts with the DEKOPINWIL (Provincial Co-operative Federation) and various members of the global International Co-operative Alliance.

THE PEACE PROCESS AND FUTURE PROSPECTS

Despite the destruction, most Acehnese are very optimistic for the future. Many see the tsunami as a mixed blessing (even a blessing in disguise), bringing peace and an international presence to Aceh. As homes are being built and peoples' basic needs are met, people are looking to improve the quality of education, increase tourism, and develop responsible, sustainable industry. Well-qualified educators are in high demand in Aceh.

The tsunami offered two positive results. For the first time, it opened the doors of Aceh to the outside world to allow foreign organizations to help in the relief and rebuilding activities in Aceh. Secondly, it brought to a halt the ongoing armed conflict between the Aceh Free Movement (GAM) and the Indonesian military. The Aceh Peace Accord was signed in the Finnish capital of Helsinki on August. 15, 2005. It was a reward for the Indonesian people and the government just as the country was to launch the celebrations of the country's 60th anniversary of independence.

This historical event marked a new era for the Indonesian people, especially the Acehnese, as it ended the lengthy political instability and the three-decade-long campaign by the Free Aceh Movement to establish an independent state, separate from Indonesia.

The readiness of the government to accept international monitors from three ASEAN countries[1] and the European Union was also an unprecedented move. Although some nationalists are dissatisfied about the overall deal, this brave decision by the government should be praised and regarded as evidence of its determination and genuine commitment to a peaceful settlement in Aceh; it is also a tribute to the maturing of democracy in Indonesia.

The return of peace to Aceh would certainly contribute to the recovery and rebuilding of the province after last year's earthquake and tsunami disaster. The Acehnese need a long and uninterrupted peace to forge their future, and co-operatives will help play an important role in this process, because of the community-approach and the socio-economic sustainability they offer.

That Indonesia now needs assistance to rebuild Aceh is undeniable. The international community recognizes the need for change within the Indonesia security forces, and sees an opportunity to encourage a culture of professionalism. On the other hand, the donor communities must seek to ensure that assistance given will not be turned to alternative uses. The world's assistance is needed – the international community must shape this assistance to bring lasting improvements to the long-suffering Acehnese.

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1 Association of Southeast Asian Nations

P.A. KIRIWANDENIYA

Co-operatives & the Rebuilding of Sri Lanka after the Tsunami

On December 26, 2004, within approximately one and a half hours after the earthquake, the tsunami wave struck Sri Lanka. The height of this wave was about 40 feet; in some places it was more than that.

Sri Lanka has a population of about 90 million people. Two-thirds of the coastal area was affected by the tsunami. The rough estimate at the time was that 37,000 lives were lost and another 30,000 people were injured. That gives you the bigger context of the impact on Sri Lanka. In this paper, I will focus on the impact on SANASA[1] and the response of SANASA.

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1 "The Sanasa movement represents a co-operative approach to community empowerment and mobilization. Having been formed as a credit and thrift co-operative in 1906, the Sanasa movement has had 100 years of experience as an indigenous force in Sri Lankan development. The pillar of the Sanasa movement is the primary society. Its main target is the rural poor, but membership is open to all within a given community. Sanasa primary societies can be found throughout all districts of Sri Lanka. There are 8445 Sanasa primary societies on the island with a total membership of over 800,000. Sanasa's rural landscape can count 20% of the population as Sanasa members or clients. Sanasa primaries are represented in district unions and a national federation." (From: http://www.sdb.lk/tsunami/about_sanasa.asp).

As a co-operative, SANASA is the largest non-governmental, community-based organization in Sri Lanka, with primary societies throughout the country. The SANASA movement is the national federation of Thrift and Credit Co-operatives Societies in Sri Lanka. We began in 1906 and re-organized into a federation in 1978. The federation is one of the biggest organizations in Sri Lanka. The SANASA group includes the SANASA Development Bank (SDB), All Lanka Mutual Assurance Organization (ALMAO), SANASA Producer and Consumer Alliance (SANEEPA), SANASA Engineering and Development Company (SEDCO), and SANASA Educational Campus (a national training centre). At the heart of SANASA is a network of 8,400 registered savings and credit co-operatives – or primary societies.

When the tsunami hit, the damage was most severe along the east coast, where stores and everything were lost. After SANASA assessed the damage within our co-operative federation, we realized 382 primaries societies were deeply affected. We lost about 40,000 members and 150 societies were completely destroyed. The societies suffered from the loss of records, office equipment, member assets and assets bases, and the death of many leaders and staff. Even now [spring 2006] we can't really re-start all our societies because many of the records have disappeared. The estimated loss for the whole programme was about USD 3.2 million.

After the tsunami, SANASA started a short term revival programme and a long term programme. Immediately, we started short term rehabilitation activities, then we started a programme of research and identification of needs. We sent 60 people into the field; they did a survey and gathered basic information - what are the current needs of the SANASA primaries after the tsunami? Then we started our SANASA Institutional Development Programme. We introduced a long term plan to assist the primaries. We helped re-build or provided the building materials, and we provided 6 months of salary for the staff from the societies.

The three stages we implemented with immediate humanitarian support, followed by a six-month project of rehabilitation to revive the activities in the primaries, and finally a long term sustainability plan for economic and social development. For the humanitarian

relief efforts we collected a lot of basic supplies: foods, clothes, and everything for the primary society. We collected more than 200 truck loads of goods and then distributed these supplies all over the coastal areas - without discrimination in the war areas - we sent goods to every corner of the coastal area. After the tsunami there was the immediate need to bury the dead. I went with other volunteers into the rural areas and collected dead bodies. Sometimes we put 10 or 15 people in one place and buried them. We also provided a lot of materials for students. We introduced various cultural programmes in many communities to help with the rebuilding of lives. We introduced training programmes and helped with housing repairs; we also developed community support programmes for livelihood promotion and rebuilding. In the institutional strengthening programmes for primary societies, we provided support by paying the salaries for the manager, providing stationary, providing furniture, providing training programmes, and moral support.

In the long term rebuilding, we started introducing and strengthening the society as a new society - not as it was in the past. It has now become another turning point where we are introducing a long term SANASA system for the primary societies and introducing a new micro finance programme. Then we tried to get information about the broader community - how many families lost their income and their industry or business?

In total, 4.6 million in US dollars was received and committed to the micro-finance loan pool. The training programme is already well underway and we have spent USD 1.8 million on skills training. A fund was started for new furniture for the SANASA societies and furniture for other co-operatives. Another one million US was committed for reconstructing damaged buildings of the primary societies. The total estimated budget of the planned future activities is LKR 847 million.

In these efforts, we have friends and partners who also gave support. We received support from many organizations, including: the Canadian Co-operative Association (CCA), Canadian International Development Agency (CIDA), Développement international Desjardins (DID) from Québec, Etimos Consortium and Banca Etics (ETIMOS), the World Council of Credit Unions (WOCCU),

Japanese Consumer Co-operative Union (JCCU), New Zealand Sri Lanka Buddhist Trust (NZSLBT), the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), and the RABO Bank from the Netherlands.

Special mechanisms evolved in order for us to assist in the tsunami affected communities. We established seven community development centres to coordinate initial post-tsunami relief work and long term building. We established a loan pool for efficient allocation of funds from different sources. We developed a loan pool to provide low interest money for the people affected by the tsunami. In terms of institutional strengthening of the SANASA campuses, we started a skills training programme for people who lost their livelihoods. (Lots of fishermen did not want to go back to the fishing industry. They wanted to change their lifestyle to agriculture or another field.) We have helped train them so there is a new life option for them.

As a co-operative, SANASA has a comparative advantage over other relief efforts. We really drew on co-operative ethics to help re-build these co-operatives, to empower these primary societies in the way that we have. SANASA is embedded in these communities. SANASA was able to appeal to the international co-operative community, which immediately responded to the disaster, both individually and collectively. SANASA was able to conduct a comprehensive needs assessment. SANASA developed a comprehensive strategic plan. SANASA was on the ground and able to start many different programmes.

I want to say just a few more words about what we learned in this time. In the first stage, we used a humanitarian approach to bring about a new peace development process in the northern and eastern provinces. Because these people had some disturbances between the two communities, we used this opportunity to bring them closer to each other. That is one point. Another is that we now have a new relationship with Europe. A third point is that we identified change agents who could build new attitudes and new approaches for the peace process. We identified the northern and eastern provinces as areas of change agents, because we were getting the message into this area. Then we started analyzing target groups, like people who lost their children and single families who lost their economic means

– we wanted to find such target groups. For each and every target group, we developed specific programmes.

Another important area to reflect on is economic participation. Immediately after the tsunami, we started a short term assistance fund through SANASA Development Bank. We allocated money, which we view as a grant to them. Other banks also supported us, and we were able to give immediate economic assistance. Then we started development programmes, for that purpose we are getting loans from the Bank of Sri Lanka at a low interest rate. We have committed more than 150 million rupees for the Livelihood Development Programme, and some partners have also helped us. We have developed a special loan pool particularly for tsunami development activities. Then we started long term economic rehabilitation development programmes.

SANASA also has some partners who are participating with us. They are trying to introduce some kinds of project formulation systems that the SANASA Development Bank can participate in.

In the third phase of the institutional capacity building, each society will be provided with specific facilities. These centres are for community development - not only member development - because the tsunami affected everybody. The tsunami provided a lesson for all of us: don't think about ethnicity, don't think about religion - this is a natural disaster. We, as a community, must all face that. When the training programme is started, there will be new training programmes in conflict resolution. We are also introducing other types of programmes. As chairman of the people's bank in Sri Lanka, I am using our co-operative institution to link with the tsunami affected area and leverage more assistance.

ROBBY TULUS

Co-operatives & Peace in Post-Disaster Environments & among Indigenous Peoples

I n this two-part paper, I offer a comparative analysis on the role of co-operatives in contributing to peace in complex situations of conflict, natural disaster, and in places where the rights of indigenous people are undermined.

PART ONE: A COMPARATIVE REVIEW OF THE POST-TSUNAMI PEACE PROCESS AND THE ROLE OF CO-OPS IN NORTH EAST SRI LANKA AND ACEH, INDONESIA

The Indian Ocean tsunami disaster in December 2004 overwhelmed South East Asia coastal areas, but the worst affected areas were Aceh in Indonesia, and the northeastern province of Sri Lanka. These two regions have also been marked by protracted armed conflicts. The large scale of destruction and humanitarian disaster demanded joint efforts for relief, reconstruction, dispute resolution, and democratization; the urgency of meetings these needs opened new windows of opportunity to expedite the peace process and democratization in these two devastated regions.

Parallel processes occurred right after the tsunami in Aceh and Sri Lanka, linking reconstruction, development, and dispute resolution with active support from international donors and actors. Despite these great efforts, and beyond this general similarity, the actual strategies and preconditions for dispute and conflict resolution have been quite different in the two countries. The structural causes of conflicts being quite distinct in each case, the solutions for a lasting peace also differ.

Sri Lanka

In the case of Sri Lanka there was partitioning with the divide and rule strategy of colonial rulers based on ethnic lines between the Sinhalese majority and the Tamil minority.

The origin of the aspirations for national self-determination of the Liberation Tigers of Tamil Eelam (LTTE), commonly known as the Tamil Tigers, is an historic by-product of the failure of the post-colonial Sri Lanka government institutions to deliver adequate rights that could offer chances of upward mobility to the minority community in the northeast.[1] Tensions escalated in 1957 after the failed attempt to achieve linguistic pluralism following the "Sinhala Only" Act of 1956. Combined with specific territorial drives, such as immigration schemes and other forms of pressure, a sense of discrimination developed among the Tamils.

The first generation of Tamils tried using the democratic process to reverse this situation but failed. The younger generations, convinced about the futility of the constitutional route, took to radicalism, which laid the ground for a separatist campaign. Hence LTTE emerged as a formidable paramilitary organization and armed conflict resulted.

The 22 year old civil war between LTTE and the Sri Lanka government has led to 68,000 deaths, and displaced one million people. It has also held back the Island's growth and economic development. Some estimates suggest the government has spent up to 5% of gross domestic product on defense in recent years.

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1 See Institute of Peace and Conflict Studies (IPCS) Special Report "Terrorism and Political Violence: Kashmir, Sri Lanka, and Aceh," August 2005, p. 7.

The three and a half year ceasefire, beginning in 2002, held great promise for peace; however, conflicts resumed again in 2006. Peace negotiations, facilitated by the Norwegian government, which achieved the inspiring cease fire in 2002, failed to graduate into a more sustainable Peace Agreement. The December 2004 tsunami, which killed more than 30,000 people in Sri Lanka, highlights the divisions as a deal to share international aid was undermined by disagreements, and hence has been difficult to implement.

In August 2006, the violent clashes between the Tamil Tiger rebels and the government forces in the northeast signified the worst fighting since the 2002 ceasefire. Hundreds of people were killed, and the UN reported that tens of thousands of people had fled their homes.

Aceh

Unlike Sri Lanka, Aceh was not as well known to outsiders until the tsunami struck its coastal areas. Historically, Islam has an important stronghold in Aceh with historical roots to the Darul Islam movement in the 1950s. In the 1970s, the development of the Arun fields into one of the world's largest sources of natural gas was an important factor in the emergence of the Free Aceh Movement (GAM). Most of the gas revenues were absorbed by the central government, but relatively few local people were employed in the industry. Local communities were adversely affected by land alienation, pollution, and the negative effects of closed (expatriate) community development.

People's grievances were further exacerbated by human rights abuses committed by the military. But a key turning point was the so-called DOM (Military Operations Zone) period from 1990-1998 when approximately 3,000 people were killed.

The failure to investigate these abuses, punish perpetrators, and compensate victims during the Suharto regime prompted a hardening of attitudes among the Aceh people. In addition to human rights abuses, corruption and ineffectiveness in both civilian government institutions and the military have frequently been identified as major contributing factors to the conflict. In the 1970s, Aceh had one of the lowest poverty rates in the country and relatively strong social indicators. The impact of protracted conflict, especially since 1998, has meant that Aceh's population have become among the poorest in

the country, signaling the onset of structural poverty. This has led to an increase in tensions and armed conflicts.

The August 2005 Memorandum of Understanding (MOU) in Helsinki was obviously another turning point. While the tsunami event may have provided a good window of opportunity for negotiations for the Helsinki Peace Agreement, the positive outcome was enabled by the ongoing transformation of state power itself. The devolution of power, as stated in the MOU, is made concurrent with the ongoing process of government reforms: namely towards more decentralization and democratization under the Presidency of Susilo Bambang Yudhoyono.

A peaceful election has already taken place in Aceh, with Irwandi Yusuf elected as Governor of the Aceh province in February 2007. Just eighteen months before this, it was almost unthinkable that a member of the armed Free Aceh Movement (GAM) would be running the oil and gas rich province. In 2004, Irwandi Yusuf was detained in a jail in Aceh; during the tsunami the waves smashed through the prison where he was being held, enabling him to escape and flee abroad.

The election marked the end of conflict in the province, during which as many as 20,000 people, mostly civilians, were killed and thousands more were raped and tortured. The election further cemented the peace, and also helped post-tsunami efforts, through which billions of dollars in aid are being made available for reconstruction, as well as the reintegration of ex-guerilla fighters.

The Role of Co-operatives in Sri Lanka
In Sri Lanka, co-operatives are well established, especially in the savings and credit sector under the auspices of Sri Lanka's Federation of Thrift and Credit Co-operative Societies (SANASA). SANASA has been at the forefront in helping tsunami victims all the way from the relief efforts up to the reconstruction stage. In fact, SANASA already had a disaster-management system in place.

There were active SANASA societies in 380 of the villages and communities that were heavily impacted by the tsunami. Approximately 70,000 SANASA members were affected by the tsunami. Foreign aid to these co-operatives in Sri Lanka was more forthcoming than in Aceh in Indonesia because of the vast network of the

SANASA movement and the more accessible geographic location of Sri Lanka.

Known for its beautiful beaches along the coastal areas in the south, Sri Lanka attracted immediate attention worldwide after the tsunami hit (as was also the case with Phuket in Thailand). Tamil communities in the north eastern coastal areas were also devastated by the tsunami. SANASA membership covers both Sinhalese and Tamil communities. SANASA has done extremely well in helping members from both ethnic communities to promote peace, especially in areas where SANASA primaries exist.

In the north and in the east of Sri Lanka, 298 primary societies of SANASA were affected by the tsunami; however, the post-tsunami revival in these areas has happened at a much slower pace than in the south. This was mainly due to the insufficient institutional strength of the movement in those areas, and because of the political uncertainties. Before the war erupted, there were many SANASA societies in the north and northeast actively participating in the national programme of SANASA. Over the last decade, these relationships have become somewhat disconnected because of displacement, the death of many leaders, and the escalating conflicts. As a result, these societies had not been able to keep up with the latest developments of the SANASA movement. The tsunami opened opportunities for people to see the importance of staying connected, and SANASA has already developed a special programme to reintegrate these communities. Projects for post-tsunami revival have been developed and approved by various co-operative organizations and funding agencies.

The Role of Co-operatives in Aceh

Although Aceh is also a tourist destination, the area was not as well known as parts of Sri Lanka. Being less well-known, co-operatives in Aceh, represented by the Provincial Federation of Co-operatives (DEKOPINWIL),[2] obtained worldwide attention only after presentations were made at the ICA Global General Assembly in Cartagena, Colombia, in September, 2005. Worse still has been the fate of co-operatives in Nias, an island in north Sumatra, which was equally

2 Dewan Koperasi Indonesia is the Indonesia Cooperative Council. DEKOPINWIL refers to the organizational body that represents the Indonesia Co-operative Movement at the provincial and/or special district level.

devastated following a heavy aftershock in March, 2005. These ill-fated co-operatives were only captured on the radar screen at a much later stage.

The tsunami catastrophe posed a unique challenge as the ICA global membership was just beginning to address the issues of poverty reduction, peace, and democracy, as well as best practices for tackling these social ills.

The co-operative movement in Aceh suffered greatly from prolonged government interference in the past and from instability brought about by armed conflicts in the region. A recent survey[3] discovered cases where increasing pressures by GAM members caused some co-operatives to stop their business operations because of threats imposed by these insurgents on co-op leaders and members. It was found that insecurities had reached such a level that some co-operative boards arranged informal "deals" with GAM intermediaries. Co-ops were forced to either pay a certain amount of money or provide GAM with a certain amount of goods and merchandise. A climate of fear inhibited board members from being more creative in undertaking their business operations.

In Pidie, almost 50% of the multi-purpose co-operatives were affected by threats from GAM members on the one hand and from the Indonesian military on the other. In the case of the Meusueraya Agricultural Co-operative, a shipment of ginger products to Malaysia was cancelled as the ship was not even allowed to dock.

The survey substantiated the key role co-operatives can play to help ensure the future sustainability of communities in this area of Indonesia. Fundamental among these roles is their potential to reduce poverty, their contribution towards peace, democracy, and the restoration of livelihoods among desperately poor co-op members. The role of women was also noted as being particularly important in the process of creating sustainable livelihoods. During the survey, twelve co-operatives were investigated. Six of them were chosen as co-operative models for further development; they are in three main sectors: distribution, fisheries, and agriculture.

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3 See "*Revitalization of Six Model Co-operatives in Three Pilot Areas in NAD*, Indonesia," a programme proposal by R. Tulus, pp. 22-23.

The tsunami is seen as a transformative episode in Indonesia – it opened Aceh to the outside world, and perhaps more important, the overwhelming focus on support and rebuilding for survivors of the tsunami subsequent led to the signing of the Peace Accord (Helsinki MOU). Co-operatives adopted a holistic approach to help tsunami survivors, and, at the same time, supported the reintegration of ex-rebels in a number of community-based co-operatives. It will be a challenging task for co-ops to reintegrate the ex-GAM members into the co-operative primaries in various communities where past conflicts occurred. Members of DEKOPINWIL have already voiced the need for help with this task.

Fortunately, the enduring spirit of strong co-operative leaders and members in Aceh has made it conceivable to begin co-operative reconstruction and renewal. There is a need for co-operatives to reconstitute an inclusive community-level planning process to help communities rebuild their livelihoods and, at the same time, arbitrate local disputes and tension arising from past conflicts.

PART TWO: A CASE STUDY ON THE ROLE OF CO-OPS, INDIGENOUS PEOPLE, AND PEACE IN CONFLICT REGIONS OF MINDANAO (PHILIPPINES) AND KALIMANTAN (INDONESIA)

On a UNDP/ILO[4] assignment recently (Nov-Dec 2005), I was struck by how the indigenous peoples in the Chittagong Hilltracts (CHT) of Bangladesh have remained so poor and disadvantaged. I witnessed how the Peace Treaty of 1997, signed by the JSS (Jana Samhati Samiti) and the Bangladesh government, has not necessarily raised the living standards of the poor in these indigenous communities. In fact, marginalization continues, even as the so-called "plainland people," belonging to the dominant Bengali population, began to move and settle in the hills and mountains. At the root of the problem lies a land issue, for through the construction of the Kaptai Dam and for other reasons the indigenous people have lost their original lands and housing. They are now living mostly in the hills where land is less suitable for agriculture, water problems abound, and infrastructure is largely absent.

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4 The United Nations Development Programme – International Labour Organization.

As a result, most of these people are now engaged in a variety of subsistence activities, including farming, horticulture, collection of bamboo and cane from the forests, and home-based handicrafts such as waist-loom weaving. Many villages lack safe drinking water and many communities face hardships during part of the year when food stocks have been depleted. Households tend to have sufficient quantities of food from their own production for almost half a year, however, they experience moderate to severe food shortages during the rest of the year (Stutter 2001). Educational levels in the CHT are still very low, especially among the indigenous population.

In an effort to raise their living standards and create economic opportunities for the indigenous people and other poor people in the CHT, UNDP-CHT Development Facility and the Ministry of the CHT Affairs are joining hands to create socio-economic programmes befitting these communities.

Unfortunately, the poor record of co-operative development in Bangladesh as a whole has left a negative stigma for funding agencies to embrace and introduce the co-operative concept as a modality to help the poor in the CHT district. Below, I explore two successful case studies in Mindanao, in the Philippines, and Kalimantan, in Indonesia. One of these examples illustrates the work of a local co-op; however, both cases provide useful insights on the successful implementation of community-oriented initiatives that attempt to address the plight of indigenous people in conflict zones.[5]

Mindanao, Philippines
Centuries of colonization and waves of migration have radically altered the lives of indigenous people all over the Philippines. Missionaries have penetrated the most remote forest abodes. Internal armed conflicts has brought violence into otherwise peaceful villages. Ethnic unrest continues to rage in the countryside, causing uncertainty and economic hardship. Ill-planned development programmes and assistance have failed to ease the poverty in many indigenous communities.

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5 This section of my paper is taken from a report I first prepared for the Expert Group Meeting on Co-operatives and Employment conducted by the ILO.

To this day, conflicts persist in certain parts of the Philippines adversely affecting the economy and causing tensions among indigenous peoples. The latest outbreak of fighting between rebels and government forces in central Mindanao in the early part of 2000 severely affected the handicraft production of various communities in the region. In the province of Lanao del Sur, a place well known for its colorful woven cloth and finely-crafted brassware, Bai Deron, a local resident, says she keeps her children's clothes in suitcases — so they can evacuate easily if the need arises.

At one point, she told the project manager, "How can I guarantee your safety if I cannot even guarantee my children's safety?" Deron heads the Dayawan Women Loom Weavers Association, the organization of one of the partner communities located in the Autonomous Region in Muslim Mindanao.[6]

Intense lobbying from indigenous people's rights advocates recently changed government policy on indigenous peoples. The most profound reforms occurred during the term of former President Fidel Ramos, when the government started recognizing the right of indigenous peoples to their ancestral territories.

Earlier, indigenous people had become concerned about rampant illegal logging in their forests, and the loss of biodiversity in the rolling farmland and rich waterways. Assistance from ILO-INDISCO[7] helped them turn the tide against outsiders who were destroying their natural environment. It also helped them stem the rampant selling of land by some community members. The municipal government did not oppose the claim because officials knew the land was public domain.

In the context of armed conflicts, rapid change, and past failures of top-down development, the ILO-INDISCO started introducing a new concept of community development partnership in 12 pilot

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6 INDISCO Case Study No. 7. A study done under the auspices of the ILO-INDISCO Programme which aims at assisting indigenous and tribal peoples worldwide in their development with financial contributions from DANIDA, the Netherlands, UNDP, AGFUND, UNV, CIDA, Rabobank Foundation (Netherlands) and the International Philippine Association, 2001.

7 The International Labour Organization - Inter-Regional Programme to Support Self-Reliance of Indigenous and Tribal Communities through Co-ops and other Self-Help Organizations. See: http://www.ilo.org/public/english/indigenous/

project sites among the indigenous and tribal peoples of the Philippines. The programme was launched in 1994.

A community-driven and participatory approach was first introduced to the federation in Bukidnon. Five years after the launching of the pilot scheme, ILO-INDISCO has brought significant changes in the lives of indigenous peoples in most of the sites. Through its innovative approach that emphasized collective responsibility and discouraged the dole-out mentality, INDISCO has managed to instill a sense of community ownership of the project. Many of the partner communities are well on their way towards sustained decent work, higher family income, and an increased sense of responsibility for the environment and natural resources within ancestral domains, as well as greater gender awareness. Most importantly, better appreciation of indigenous knowledge systems and practices has been fostered to ensure the cultural survival of tribal communities. The positive impact of the project shows the validity of the approach employed by the programme, where the partner communities are allowed to take greater control of the project and learn from their mistakes, as well as successful ventures.

Kalimantan, Indonesia
During the 1930s, the Dutch colonial powers initiated a "transmigration plan" to move people from heavily populated islands, such as Java, to the less populated islands of Papua and Kalimantan. The programme was expanded by the Indonesian government in the 1960s, when the government granted the Madurese deforestation rights to clear lands for palm oil cultivation.

In West Kalimantan, this programme conflicted with the local Dayak tribes' traditional way of life, and destroyed a large portion of the rain forest. As the rainforest was cut down and replaced by palm oil and coconut plantations, the indigenous tribes found themselves at the bottom of a complex hierarchy of different groups, unable to continue their traditional patterns of agriculture and slow to adapt to new types of employment.

The cultural conflict between the two groups has also been a source of unrest, as have Dayak demands for greater land rights and representation in government. Economic deprivation has been a major factor leading to increased tensions. The burning of three plantations

in recent years is evidence of the Dayak's growing resentment of the government's appropriation of traditional land, and the forced selling of Dayak land at below market price. The tensions between the two ethnic groups resulted in major eruptions of violence in 1996, 1999, and 2001.

Credit co-operatives (credit unions) were first introduced in 1975 in West Kalimantan. The general credit union development approach in West Kalimantan at that time resulted in the establishment of a small number of credit unions. The growth was not too impressive compared to other parts of Indonesia until a more "cultural approach" was launched in 1983. A workshop staged by the Credit Union Central of Indonesia (CUCO) in 1983 gave special attention to the cultural identity of the Dayak tribe, addressing also the issue of peace in West Kalimantan. It was thought that by raising their positive image and self-confidence, and especially by creating new livelihoods and economic strength, the Dayak people would be more economically competitive and thus be more confident to tackle head on their relationships with other neighbouring ethnic communities. The most difficult part was changing their notion that it is better to demand or ask for money from friends and relatives rather than to borrow. According to their belief, "borrowing" connotes a moral obligation and hence a negative energy in peoples' lives.

Rather than arguing about this traditional outlook, the workshop started by creating a better image of the Dayaks, whom outsiders considered unintelligent, untrustworthy, and poor. The best way to change this view was to raise their social economic standard by organizing viable credit unions. A series of educational programmes made the people aware that self-help is the best approach to increase their socio-economic conditions, and that political advocacy is not the only way to create economic betterment and empowerment. As of December 2005, fifty-four viable credit unions have been established as a result of intensive training and education, and these credit unions are by far the most successful in size and scope throughout the country.

To what extent the existence of co-operatives (credit unions) has actually eased the ethnic tensions in West Kalimantan is a case worth studying. Suffice it to say that 200,000 individual members involved

in the credit union system, with more than $52 million US in savings and $93 million US in assets, provides a critical mass necessary for mobilizing members to voice their objections against any resumption of ethnic conflicts. Moreover, a leader of the credit union was successfully elected as a member of the local parliament.

CONCLUSION: LESSONS LEARNED

The following basic lessons are drawn from the above analysis of reconstruction efforts in post-conflict situations:

- As in many internal conflicts, the dynamics of the conflict acts like a vicious circle. Various aspects of the conflict, which at first glance appear to be separate, are in fact interconnected and mutually reinforcing, constituting intertwining feedback loops that form an overall conflict system. This quagmire breeds a culture of violence and not a culture of peace.

- The interconnections are often quite obvious. Militarization, for instance, although officially intended as a means to resolve conflict, in fact encourages and hardens the resolve of separatists to continue the insurgency. Militarization usually impedes media, civil society, and judicial oversight, reinforcing opportunities for corruption and feeding back into the conflict system.

- Separatists' ideologies can provide one dimensional propaganda for hardening the attitudes of local communities in the conflict region by focusing on the flaws of the ruling regime, be they issues of bad governance, corruption, coercion, colonial attitudes, or other simplistic rationale.

- Tight security in conflict zones prevents local legislators and other officials from visiting communities to investigate local conditions and plan or carry out community projects for the people in need. Many funds earmarked for projects end up in the pockets of developers or political patrons, while local communities become poorer.

- Local communities are constantly deprived of proper services because construction of basic infrastructure is either delayed or disrupted due to impositions by insurgents on the one hand, and military on the other hand.

- The feedback circle of disputes, poor governance, and poverty, sustains the conflict. A resilient war economy that is likely to continue will generate pressures for renewed conflict, even with substantial progress in the macro-political peace process.
- The challenge of creating respectful spaces for dialogue with the full support of local communities is crucial. The complexity of misunderstandings, anger, and other emotions, can only be mitigated and resolved by involving the local people, obviously with the help of outside mediation, advocacy, and lobbying, in order to reduce inequities and human rights violations. This is particularly the case in Aceh, where the peace process has won the hearts of local people and the support of the central government.
- Co-operatives play a vital role in supporting local communities to enhance their self-help capacities and gradually build economies of scale, empowering communities from being drawn back into the vicious circle of ongoing poverty and sustained conflict, not to mention the "brainwashing-propaganda."
- Walking the talk of "co-operative values" will help breed a culture of peace, not a culture of violence.

MILFORD BATEMAN

Co-operatives, Post-war Reconstruction, & Peace-building: An Example from South East Europe

Since 1941, the unfortunate peoples of South East Europe have had to endure a number of bitter conflicts and the resulting economic, political, and social upheavals associated with them. The horrors and destruction of the Second World War ended the "first" Yugoslavia, and in 1945, the "second" Yugoslavia was born – the Federal People's Republic of Yugoslavia (SNRJ). The "second" Yugoslavia embarked on a successful reconstruction and development trajectory, and by the late 1970s it was one of Europe's fastest growing, yet most equitable and socially cohesive, economies and societies. But by the mid-1980s, Yugoslavia was descending into turmoil once more. Long simmering separatist/nationalist movements in two of its constituent republics – Slovenia and Croatia – were increasingly vocal in denigrating the Yugoslav solidaristic ideal of "brotherhood and unity," and encouraged a sense of victimisation rather than association. Under such conditions, the new generation of democratically-elected republican leaders coming to power in the late 1980s found it impossible to broker a peaceful break-up of the country. The result was the Yugoslav Civil War. Breaking out in 1992, it was to become Europe's most protracted and bitter conflict since 1945. It was finally brought to an end at the Dayton Peace Con-

ference in December 1995, which formalised Yugoslavia's break-up into its constituent republics. However, it was politically impossible at Dayton to deal with the issue of Kosovo, Serbia's restive ethnic Albanian majority province.[1] Unfortunately, this deliberate omission then led to the tragic coda of the Yugoslav Civil War and the NATO intervention in Serbia in early 1999. Ostensibly in support of human rights,[2] the NATO powers bombarded Serbia over the course of nearly two months – targeting both its military hardware and, later on, its civilian infrastructure, too – leading to yet another round of human misery, physical destruction, and regional economic chaos.[3]

Given such a tragic recent history, the search for mechanisms, institutions, and development trajectories that might fruitfully combine to underpin sustainable peace-building strategies in South East Europe, and elsewhere, is naturally a hugely important area of work. This chapter enquires into one possibility in this regard – the role of the co-operative sector. There is a wealth of evidence from around the world that substantiates that, for a number of reasons, co-operatives and co-operative-type structures can play a critical role in peace-building, sustainable post-conflict reconstruction, and development efforts (Parnell, 2001; Birchall, 2004; Bateman, 2007a). Has this been the case in South East Europe, too? More importantly, might co-operatives have a role today in facilitating sustainable peace-building efforts, social justice, and an equitable local economic and social development trajectory?

I start the chapter by briefly assessing to what extent Yugoslavia's pioneering system of "workers' self-management" played in peace-building in the post-1945 era. I then look at the collapse of Yugosla-

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1 Addressing the Kosovar Albanian community's demands for independence from Serbia would have complicated the west's message at Dayton regarding territorial realignment in the Balkans, which was that it was not going to be allowed. The western countries were therefore steadfast in refusing to accept the Bosnian Serb and Bosnian Croat communities' calls to change Yugoslavia's old internal borders, allowing them to link up as one country with their ethnic kin in an enlarged Serbia and enlarged Croatia respectively.

2 Leading US foreign policy scholar Andrew Bacevich (2002) posits that the US government's primary goals in Kosovo (very much as in Bosnia before this) were actually to establish the credibility of US power in the post-Cold War world and to promote an "out-of-area" capability for NATO. See also the discussion in Chomsky (1999).

3 At the time of writing (June 2007), the Kosovo conflict does not look to have resolved itself permanently, given that Kosovo's independence from Serbia has still not been agreed to by all the main international powers (i.e., by Russia).

via in the early 1990s, and its initial reconstruction trajectory, particularly in the now independent Republic of Bosnia and Herzegovina. I then turn to focus on the possible role of co-operatives within the newly emerging Yugoslav successor states. Here, I centrally highlight the significant potential for co-operative development by looking at one case study of an agricultural co-operative project in Central Bosnia. This case study quite usefully illustrates how it is possible to begin to generate a number of the most important preconditions for sustainable peace in the region, crucially including the requirement for solidarity and social capital building within war-affected communities and across ethnic boundaries.

RECONSTRUCTING YUGOSLAVIA AFTER 1945

Following the Nazi invasion and occupation of Yugoslavia in the summer of 1941, the country was economically, socially, physically, and institutionally devastated. The fighting initially involved the Axis powers[4] at war with the Yugoslav people. Shortly thereafter, however, the conflict widened to include two civil wars: one pitting the various nationalities within Yugoslavia against each other, the other between those people who wished to return to the pre-war economic and political system and those people seeking a new regime entirely. The Yugoslav Partisans, under their leader Josip Broz Tito, eventually succeeded, with some external support, in liberating their country from the Axis powers.

Bearing in mind the extent of devastation, the task of reconstructing Yugoslavia after the war ended in 1945 was clearly an immense undertaking. But an initially promising start was made. Key infrastructure was quickly repaired, and production in many industries returned to pre-war levels as early as 1948 (Horvat, 1976). However, this progress was brought to an abrupt end after an attempt by Stalin to exert control over the Yugoslav leadership. Rather than submit to Soviet control, in 1948 Yugoslavia famously broke away from the Soviet bloc. Among other things, the Yugoslav leadership now needed to differentiate Yugoslav Communism from the totalitarian Soviet

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4 The Axis powers refers to the coalition headed by Germany, Italy, and Japan that opposed the Allied Powers in World War II.

variety. Providing some radically different and popular organising principles would help the Yugoslav leadership rally a confused population to their side. The Yugoslav leadership also needed to somehow rationalise its own continuing support for Marxism/communism. The answer to this conundrum lay in a re-reading of Marxist theory. Marx posited that under true socialism, the state will eventually have to "wither away," leaving control of the means of production in the hands of the free association of producers. Based on this re-reading, and aided by Tito's keen personal sense of "wanting to make history,"[5] a decision was taken to convert the entire industrial structure over to a new system of management by the workers.

This new system was known as "workers' self-management." From 1950 onwards, employees were given the formal authority and autonomy to manage their enterprise through a Workers' Council, which was to be composed of delegates elected by employees within the enterprise. The assets of state enterprises became "social property," that is, assets could be used by the employees in the new worker self-managed units as they saw fit, but could not be sold, transferred to another party, or otherwise disposed of. This arrangement replicated a form of pure common ownership co-operative, neither private nor state ownership, found in many western countries (Birchall, 1997).

The first years after the introduction of workers' self-management were difficult. A major problem was that the industrial sector workforce was composed of many new arrivals from rural communities, most of whom had few skills or qualifications that could help them manage their own workplace. As Singleton (1985:228) notes, this issue was quickly resolved by establishing an intensive programme of adult education, and also by limiting the term of office on the Workers' Councils so everyone could eventually gain from the experience of serving on this body. Notwithstanding these changes, the political authorities initially retained considerable influence over the strategic policy of each new worker self-managed enterprise. This was especially the case with regard to the disposal of an enterprise's income

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5 Tito was initially reluctant to go along with the idea of workers self-management, but was gradually brought around to it by Milovan Djilas and Edvard Kardelj, two of the leading members of the Yugoslav leadership. His final conversion was apparent when, after one long discussion, he excitedly proclaimed, "But this is Marxist … factories to the workers!" (Djilas, 1983: 269).

and investment planning. Although the Workers' Council was still able and willing to argue its corner successfully on many important issues, there initially remained limits to its real autonomy in this early period. However, by the early 1960s, the real freedom of action enjoyed by each worker self-managed unit was considerably extended. Enterprise efficiency began to improve right across the board. Increased motivation was one of the reasons for this improvement. Another reason, as Rusinow (1977:144) notes, was that younger and much better educated enterprise directors were coming to the fore. For example, incumbent directors in 1965 were mainly in the 40-59 age brackets, but of the more than 250 directors elected for the first time in 1965 nearly half were in the 30-39 age bracket, including fifteen who were under 30.

This period in Yugoslavia's post-war history (roughly 1965-1974) became known as the period of "market socialism," and it coincided with a period of rapid growth and major strides towards higher living standards for nearly all of the country's peoples. However, as the Yugoslav economy entered the 1970s, a number of issues began to emerge that would eventually undermine the workers' self-management system. One of these issues concerned the new generation of enterprise managers, many of whom were becoming powerful and quite rich individuals in their own right, and sometimes willing to get involved in politics too. The Yugoslav leadership's reaction to this development was to break down each enterprise into much smaller self-managing units, termed Basic Organizations of Associated Labour (BOALs), supposedly in order to more firmly embed democracy within the enterprise. However, as intended, managers were increasingly disempowered and the political authorities increasingly had to be called in to "mediate" to get the new system to work, and in the way that they wanted. In tandem with this change, the political authorities also began to increasingly direct the operation of the "social planning" system, Yugoslavia's unique compromise between central planning and the free market. The result of these two developments was that management power and autonomy were increasingly circumscribed. More importantly, it was now made perfectly clear to employees that they had increasingly less effective control over their enterprise and the "social planning" process. Motivation

and faith in the workers' self-management system plummeted. Declining productivity and weakening social solidarity at all levels of society were the predictable results.

Once liberalising events began in the Soviet Union under Gorbachev in the mid-1980s, it became clear that the Soviet Union would no longer defend communism in eastern Europe. Communism was clearly at an end right across eastern Europe, but the question now was: what is going to replace it? Although some people had ideas about adopting the "Scandinavian model" or a revised east Asian "growth with equity" model, it quickly became apparent that the triumphant western capitalist nations, especially the USA, had other ideas. Accordingly, just as elsewhere in "shock therapy" imposed in eastern Europe (see Andor and Summers, 1998), the radical free market neoliberal policy model was the international community's choice for Yugoslavia - whether Yugoslavia wanted it or not. US economists and advisors descended on the country, most famously Harvard University's Jeffrey Sachs, with the intention to completely remodel the Yugoslav economy in line with standard neoclassical textbook models. Yugoslav economist Branko Horvat, among others, attempted to make the case that socially-owned enterprises should be converted into genuine employee-owned co-operatives (for example, see Horvat, 1982), he was later joined in his core argument by a number of respected western economists (for example, Ellerman, 1990; Estrin, 1991). But with the exception of Slovenia,[6] the rearguard effort to retain core economic democracy, humanistic, and solidarity elements of the Yugoslav workers' self-management system was largely undertaken in vain. Under huge pressure from the international community (particularly from IMF conditionality), in 1988/9 the workers' self-management system was legislated out of existence and consigned to the history books.

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6 Virtually alone among the Yugoslav successor states, and in contravention of all the advice being given to it by the international development agencies and foreign advisors, including Jeffrey Sachs, the Slovenian government fought hard to reconstitute much of its worker self-managed enterprise sector into a substantial employee-owned enterprise sector alongside a significant publicly-owned sector (see Mencinger, 1996). The Slovenian economy's subsequent extremely good performance would seem to justify their chosen policy model (see also Uvalić and Vaughn-Whitehead, 1997).

Taking a balanced look at past events, and keeping in mind the fact that the transition in South East Europe has so far been extremely problematic (see Bateman, 2004), it is clear the Yugoslav workers self-management experience actually represents something of a comparative success story. First of all, there seems to be no doubt that the first decade of workers' self-management was quite fundamental in helping Yugoslavia quickly recover and grow under enormously difficult post-war conditions (Waterston, 1962). Motivation was extremely high, because the new leadership was clearly trying to construct an economic system designed to benefit everyone in order to resolve both ethnic and class-based antagonisms. Workers self-management was then quite decisive in the 1960s in catapulting the Yugoslav economy into the ranks of the world's fastest growing economies, and for several years over this period it was *the* fastest growing economy in the world (Ottolenghi and Steinherr, 1993). Living standards in parts of the northern Republics of Slovenia and Croatia rose in the 1970s to near western European levels. Among other things, from 1963 onwards this allowed the traditionally always poorer southern republics and regions (especially Kosovo) to benefit from significant federal development funds and other EU-style regional development assistance channelled through the Fund for the Accelerated Development of Under-Developed Regions in Kosovo (FADURK).

Another important achievement of the workers' self-management system, as emphasised by Barrett-Brown (1996), was that it undoubtedly generated high levels of trust, participation, motivation, inclusion, volunteerism, and goodwill – what we would now call "social capital." The internal culture of participation, equality, mutual support, and solidarity within worker self-managed units was then gradually projected out into the local community. As Putnam (1993) found in northern Italy after 1945, these social capital factors were then critically important in facilitating the establishment of a peaceful and economically successful Yugoslavia, promoting not only a high level of solidarity *within* the enterprise and community – "bonding social capital" – but also *between* communities – "bridging social capital."

The social capital accumulation process underway in Yugoslavia manifested itself in various guises. For example, well performing enterprises in richer areas would often voluntarily link up with poor enterprises or communities in other republics to undertake some joint investment or cultural event. Most enterprises had their own accommodation on the coast or mountains for employees, their families, and friends to use at holiday time, but these facilities were also often made available to other members in the local community without paid work. Enterprises also quite routinely and without external pressure would choose to undertake some additional community function, such as arrange an event for the local retired population or build a village school. Perhaps the most obvious manifestation of this high social capital factor was seen in the way Yugoslav enterprises showed real determination to create as many additional employment opportunities as possible for their unemployed family, friends, and neighbours. Although Yugoslavia's social welfare system was relatively well-developed by the 1960s, to be without paid work was still a difficult experience to endure (as virtually everywhere). In contrast to profit-maximising enterprises operating under free market capitalism, Bateman (1993) found that many employees in Yugoslav enterprises felt a strong affinity with their friends and neighbours in the typical community, and this led them to push to employ as many as possible – that is, for solidarity reasons Yugoslav enterprises effectively became more like "job-generating" enterprises than "profit-maximising" ones. Importantly, even though this solidarity imperative implied a productivity loss due to over-staffing, and thus ultimately lower average incomes for existing workers within the enterprise,[7] the feeling continued to prevail in most enterprises that it was nevertheless right to try to create employment for those within the community less fortunate than themselves. Such high levels of social capital, however irrational from a strictly profit-maximising point of view, were a direct and important outgrowth of the workers' self-management system.

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7 It was also important, however, that some local governments were willing to provide "job solidarity subsidies" in order to offset the productivity losses incurred through over-staffing (see Bateman, 1993).

POST-1995 RECONSTRUCTION IN BOSNIA

Incipient separation strategies had been pursued in several of the Yugoslav republics since at least the early 1960s, especially in the case of Croatia, aided by a vociferous and increasingly militant diaspora in North America and elsewhere (see Hockenos, 2003). Croatia's determined resistance to federal power and prerogatives peaked first in the early 1970s with the so-called "Croatian Spring." This challenge to the federal government was finally blocked by President Tito (himself a Croat), but at the cost of having to agree to some of the demands to reduce the power and scope of the Federation. All the six republics thus ended up with a further set of powers over many areas of economic and social policy, while two new autonomous provinces were created within Serbia - Kosovo and the Vojvodina – each with one seat on the Collective State Presidency (the six republics had two seats each).

As the economic situation gradually worsened in the late 1980s, and then peaked as the IMF's first "shock therapy" policy package in eastern Europe began to bite hard, the various nationalist forces finally gained the centre ground. The predictable result, as Susan Woodward (1995) noted, was the opening up of a space for the nationalists to pursue an agenda of political opportunism and ethnic scape-goating, thus undoing all the post-1945 progress in reaching and maintaining an inter-ethnic accommodation. Against a background of economic stagnation, hyper-nationalist propaganda, and popular resentment at the unequal regional and social impact of "shock therapy," the country's collective leadership failed to agree on a way to lay to rest the "second" Yugoslavia.

Following more than a year of escalating tension, self-serving foreign intervention,[8] paramilitary incursions, and targeted "ethnic cleansing" operations, the Yugoslav Civil War began in earnest early in 1992. It raged for nearly four years across Bosnia and parts of

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8 For example, the US government encouraged the Bosniak side to abandon agreements it (the Bosniak side) had negotiated and signed, and which would have prevented the war. Thus, as Johnstone (2002) relates, the US government was effectively encouraging the Bosnian side to go to war in order to preserve a multi-ethnic Bosnia, yet the US government" s clear policy towards Yugoslavia not more than two years previously was to *prohibit* any possibility of military intervention by the Yugoslav Army seeking to preserve the multi-ethnic Federation.

Croatia, resulting in nearly 200,000 dead and wounded, alongside huge material and economic destruction. It was also the most complex of conflicts. In Bosnia, principally as a means to gain territory at the local level, a kaleidoscope of shifting local alliances emerged between the three main ethnic groups - Bosnian Croats, Bosniaks (Bosnian Muslims), and Bosnian Serbs – which meant that the conflict in virtually every town or locality was quite different. The end of the Civil War was finally signalled by the Dayton Peace Accord signed in December 1995.

Immediately following Dayton, the international community began to arrive in the region, offering significant financial and technical assistance to support the post-war reconstruction and development effort. In terms of economic policy, the specific circumstances of the region were not considered sufficient to warrant a change to the standard neoliberal "shock therapy" policy model. Premised upon the supposedly smooth efficiency of the free market mechanism - the "invisible hand" - and its ability to facilitate a successful development trajectory, recovery in Bosnia was predicted to occur as a spontaneous process based upon the expected response of domestic and international actors (local companies, multinationals, entrepreneurs, investors, banks, etc.) to the newly embedded system of market incentives and dynamics.[9] Initial talk of a Keynesian-influenced "Marshall Plan for Bosnia" that would involve international financial support to establish significant public works programmes, large-scale temporary public employment projects, tariff protection, and a robust industrial policy,[10] turned out to be just that – talk.

Unfortunately, the standard, neoliberal, policy model in post-Dayton Bosnia followed the precedent set by the earlier transition economies of eastern Europe, as well as the developing countries in general; that is, it rapidly precipitated a further round of economic and social reversals and destruction.[11] Poverty and unemployment rose to dramatic levels, inequality quickly became a major disfigurement in

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9 The neoliberal model is presumed to hold even in a post-war scenario (see, for example, Haughton, 1997).

10 See Cullen, 1996.

11 For the destructive impact of neoliberal "shock therapy" in eastern Europe, see Andor and Summers, 1998. For the adverse impact of SAPs in developing countries, see Mohan et al, 2000.

a previously equal society, deindustrialisation accelerated markedly, criminality and corruption spiralled upwards, and crucial technologies and innovation generation processes were ignored and allowed to disappear. Privatisation and associated widespread financial sector chicanery helped empower a new local business elite, which began to enjoy a stratospheric level of power and wealth in the new deregulated economic environment. Traditionally good quality public services were progressively downsized or privatised, leading to a decline in their quality or else restricting their availability (through higher prices) to the new business elite. Levels of social capital, intra- and inter-community solidarity, and other broad indicators of "community liveability" and peaceful co-existence declined significantly (see World Bank, 2002; Bateman, 2006a).

New economic and social fissures quickly began to disfigure Bosnian society. The delicate ethnic accommodation reached at Dayton began to come under pressure. Bosnia remains a country finding it difficult to recover from its immediate past. Certainly the political arrangements agreed at Dayton were complicated, overly bureaucratic, and expensive. But leaving this obvious factor aside, we must still ask what can be done on the ground in Bosnia to repair the damage?

One way to examine the issue is to consider other neighbouring, successful post-conflict countries, and regions, and enquire further as to their methodology and strategy. Robert Putnam's (1993) award winning book on post-1945 northern Italy is a good place to start. Putnam's research shows that the "consensus-based" economic policies adopted by new regional governments in the north were absolutely decisive in generating deep reserves of social solidarity, and thereafter a sustainable economic development trajectory. In turn, these reserves of social capital greatly helped to overcome war-time antagonisms between those communities that supported the Italian partisans and those supporting Mussolini's fascists. One of the most important factors behind the generation of high levels of social capital in northern Italy was the emphasis on developing the co-operative sector. Most of the newly elected regional governments in northern Italy were of socialist/communist orientation, elected mainly by those who had successfully resisted the fascists in the war. The unanimous feeling in the regional governments was that the co-operative sector

was an ideologically preferable middle ground to promote. Co-operatives were situated between, on the one hand, the large capitalist companies (mainly based in Milan and Turin) which had strongly supported the rise of fascism, and, on the other hand, the old class of small, private, entrepreneurial ventures, which were also early supporters of fascism and traditionally reflexively hostile to any form of local collectivism and solidarity. An extensive array of state policies was quickly established to support the wide variety of co-operatives, especially technical assistance through regional and local government economic development departments, a very favourable tax regime, dedicated financial support programmes for new and conversion co-operatives, public purchasing programmes, and high quality training and educational initiatives. The co-operative sector's own representative bodies, such as *La Leg*a, were also helped to provide quality services and support to their co-operative members.

The co-operatives that began to emerge in northern Italy provided a core of quality and secure jobs in the region, as well as a "moral/ethical anchor," which other non-co-operative enterprises had to match. As the co-operative sector grew and became more powerful, rising surpluses were reinvested back into new co-operative enterprises and, increasingly, into various forms of support in the community. The direct result of the co-operative sector's growth and activities was the highest levels of social capital in all of Italy, particularly in the region of Emila-Romagna, now one of the richest regions in the EU, and a region that regularly tops European "Quality of Life" surveys (see Thompson, 2003). As Stefano Zamagni of the University of Bologna tells it,

> Social capital is highly associated with quality of life everywhere (and) it seems that the co-operatives' emphasis on fairness and respect contribute to the accumulation of social capital here. (Quoted in Logue, 2005: 25)

Other regions also saw the connection between the co-operative sector and social capital building. For example, Chiesi (2005:110) argues that social capital accumulation policies were particularly important in dealing with post-war tensions in the mixed ethnic German and Italian region of Trento-Alto Adige. It was no coincidence that Trento-Alto Adige had developed one of the most extensive networks of

co-operatives, especially a flourishing agricultural co-operative sector. Other countries and regions also successfully adopted similar "consensus-driven" policies in the post-war era. The Basque country of northern Spain is perhaps the most famous co-operative experiment in the world; an experiment that, as Morrison (1991) recounts, has successfully rebuilt social capital in a region that experienced a bitter civil war and violent aggression during the Second World War as well (see also Bateman, 2007a). Germany, France, and the Scandinavian countries are also renowned for the strength of their co-operative sectors, and the resulting accumulation of social capital.

So, perhaps one of the answers to the problems in Bosnia is to promote reserves of solidarity, trust, respect, tolerance, and mutual respect through the promotion of the co-operative sector. It is to this issue I now turn in the final section.

AGRICULTURAL CO-OPERATIVE DEVELOPMENT IN CENTRAL BOSNIA

Agricultural co-operative development has a rich history in many parts of the Balkans, including in Bosnia (see Bateman, 2006b). It has also played an important role in the development of some of the most war-affected localities in post-Dayton Bosnia, particularly in the central (Bosniak) parts of the country. While the co-operative development aspect has, in practise, been mainly about job creation and agricultural supply chain strengthening imperatives, the overall economic and social outcomes shed very important light on the possible role of co-operatives as peace-building mechanisms in war-affected regions.

The Yugoslav civil war had particularly severe economic consequences in the central parts of Bosnia located within the Bosna river basin. Since the 1950s, the main employer in the region was a large steel mill - Željezara - located in the town of Zenica and employing around 25,000 workers directly, and almost as many again in local subcontracting operations. Once one of eastern Europe's largest steel facilities, Željezara had been progressively run down prior to the war, and once war commenced in Bosnia, it naturally had no alternative but to shut down almost completely. Most of its remaining workers

were released. Further, when Željezara was finally purchased by the Mittal steel group in 2006, the resulting employment created was a tiny fraction of its previous figure. Alongside *Željezara* was a small group of industrial companies also operating in Zenica and neighbouring towns. Most of these companies were also forced to close down or radically reduce their workforce. The lack of suitable investment funds allied to the immediate inrush of quality foreign goods after Dayton (many also incorporating EU and other subsidies), was an instant and very severe blow from which many of these companies simply could not recover. The agricultural sector in the Bosna river basin was all but exhausted and destroyed during the war years, and what capacity remained was then undermined by subsidized agricultural items coming in relatively freely from abroad.

The main issues to be faced in central Bosnia were, therefore, severe unemployment, dramatically high levels of poverty, a stagnant agricultural sector, and a wide variety of social and other trust-based problems associated with the collapse of inter-ethnic relations in the region during the conflict. In central Bosnia, particularly in the higher mountainous parts, there was little chance of new job generation in industrial facilities. Moreover, as emphasized by Bateman (2007b), the standard job generation process deployed at the grass roots level right across Bosnia – the provision of micro credit - had already run its course, producing a local economy pretty much "saturated" with small-scale trade, retail, and petty services units. Under such conditions, further new entry of "poverty push" micro enterprises tends simply to displace existing micro enterprise capacity and employment.[12]

However, some potential for sustainable economic development existed in the agricultural sector in central Bosnia, particularly in terms of import substitution. One of the main processors of soft fruits in Bosnia – the well known Sarajevo-based Klas Company – had for some time been registering the need to find local suppliers of soft fruits, particularly for raspberries. Klas had strong local demand

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12 Using panel household survey data in Bosnia for 2001-2004, World Bank researchers estimated that around half of all individuals starting a new microenterprise in 2002 and 2003 were forced to close their new business within one year of its establishment (Kunt *et al*, 2007).

for its pastries and cookies made with raspberries, and it had also found a new market for fresh and frozen soft fruits in several outlets in the EU. But rather than import raspberry pulp from Italy and other countries to service their basic input needs, Klas thought it would be much better for them, and for the Bosnian economy as a whole, if a local agricultural supply chain centred on raspberry production could be re-established in Bosnia. This was the beginning of a project to support raspberry farming in the Central Bosna Basin.

With support from the local agricultural extension services, Klas began to develop an idea to support raspberry farmers in the Bosna River Basin (henceforth BRB). Results of studies confirmed earlier analyses, rating the BRB as "excellent" for growing raspberries in terms of soil, micro-climate, and water quality. Moreover, a Lutheran Church donation of raspberry seedlings had already sensitized the local population to the idea of raspberry cultivation. Plans were drawn up to support up to 500 new raspberry farmers in the BRB, who would all eventually be linked to Klas as suppliers. Almost all of the farmers were Bosniak (Bosnian Muslim) by origin. Most had been made redundant either by *Željezara* or by other industrial companies in Zenica. They had returned to their plots of land to farm, because there were almost no other business or employment opportunities available to them. While some of the proposed raspberry farmers had already benefited from the Lutheran Church donation of raspberry seedlings the previous year, most of the proposed new raspberry farmers required a quantity of raspberry seedlings as well as a "drop-by-drop" irrigation system. To obtain these items for the farmers, Klas proposed to take out long term credit on their behalf, and then pass on the appropriate share to each farmer. But rather than passing on each farmers credit amount in cash, Klas would instead take the opportunity to bulk buy the required raspberry bushes and "drop-by-drop" irrigation systems, and then pass on these items to the farmers at a greatly reduced price. Repayment of the individual credit amounts would be on relatively soft terms, and would only begin when the first harvest took place in two years time. Training in raspberry production would be provided by Klas specialists working alongside local agricultural extension services workers. It was especially important that an agreement was reached with Klas that, for

the first year, it would coordinate the large and complicated logistical operation involved at harvest time. Perhaps most important of all, however, all raspberry farmers participating in the project would be given twelve year favourable price supply contracts with Klas.

It was quickly realized that the original proposal put forward by Klas – that it would have 500 individual contracts with farmers – was unmanageable. Moreover, as a commercial operation, Klas indicated it did not want to accept the longer term responsibility for providing all logistics at harvest time. Klas was willing to help in the first year (2003), but after this the farmers had to organize themselves to take over this important responsibility. It was at this stage that the group of foreign consultants working with Klas proposed a way to help the farmers as part of a social mitigation mandate.[13] The proposal put forward was for an agricultural co-operative structure, within which it was envisaged that the greatest material and social benefits for the participating farmers would be realised. The co-operative option was well known locally and appreciated by local people, even though the version that arose under Yugoslav communism – so-called "state co-operatives" – was a slight perversion of the genuine article.[14]

The idea for an agricultural co-operative was well received within the initial group of farmers involved in raspberry growing. Only a small group of farmers initially resisted the idea for an agricultural co-operative structure, largely based on their previous experience of "state co-operatives." But once assured that the agricultural co-operative proposed by the advisory team was going to be a genuine farmer-owned and controlled co-operative, their resistance ended. It greatly helped here that the local government official charged with supporting farmer-based initiatives as part of his social development mandate was both trusted in the local community, and could see the agricultural co-operative could potentially make a real difference.

13 The author was for three years (2002-2005) the Project Manager of the Klas-BRB social mitigation programme, which was funded by the Department for International Development (DFID), the UK government's aid assistance arm for transition and developing countries.

14 The "state co-operative" concept mainly referred to the political authority's constant interference in the affairs of ostensibly independent agricultural co-operatives. For example, they often interfered to ensure that only ideologically correct people were voted or appointed into top positions within the co-operative, or that prices remained at a certain level, or that machinery was shared out at harvest time.

Kick-starting the co-operative initially involved a series of meetings in each of the villages in the BRB where the project's raspberry farmers were living and working. During the course of these many meetings, it became clear that the individual farmers were well aware of the many benefits to be had from co-operating through a formal institutional structure under their control, and very much wished the project to go forward. What remained to be decided, however, were more practical matters, such as establishing a legal structure, electing managers, finding a physical location, and so on. Very early on, a decision was taken that one single co-operative with all 500 farmers as members was simply too unwieldy. Transport connections were poor still in the region and meetings would thus be difficult to arrange on a regular basis. Moreover, the 500 farmers were spread across a wide region with little previous social interaction and engagement. Accordingly, in discussions with Klas and the farmers, it was eventually proposed that 300 of the raspberry farmers would be grouped into three co-operatives based in the three main centres of raspberry growing – Željezno Poljar, Zavidovići, and Zenica – with all three to be supported through the BRB project. The remaining 200 raspberry farmers, geographically well outside of the BRB, were linked into the ongoing activities of an international NGO working on similar sustainable development projects in their geographic area.

During the course of the next three years, the three co-operatives struggled to get going and operate as genuine farmer-owned co-operatives. Not unexpectedly, one of the main initial problems was financial. As a devastated region during the conflict, and with many families having lost virtually all of their savings and material goods, it was not possible for the farmers to invest very much into the project. This did not signify any lack of commitment, but simply reflected extreme poverty. At the same time, the lack of trust in the region was palpable,[15] necessitating a constant round of consultations with "trusted" local people – the local agricultural extension services official, a local government official, a key official working locally for an international NGO – to resolve many issues.

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15 The Central Bosnia area had been the scene of some of the fiercest fighting during the war, often involving the radical foreign Islamic fighters who were mainly based around Zenica.

The most impressive progress was undoubtedly made by the farmers in the mountain-top village of Željezno Poljar, where their cooperative, called *Poljar*, eventually emerged (by 2006) as a strong, well-managed, and broadly democratic entity with more than 200 active members. Focusing now on the Poljar co-operative, it is useful to expand a little upon a number of incidents in its development.

Equality and Local Democracy Underpins Basic Social Capital Building

The original business plan for Poljar stipulated a minimum size of land criterion, initially set at one quarter hectare. As with any business, there is a minimum efficient scale of production, below which it is simply uneconomic to produce. However, many poor individuals in the village with less than the minimum criterion of land approached Poljar with the aim of being included into the co-operative. Initial discussions within Poljar were in favour of accepting all such members since there was a real feeling that Poljar needed to help as many people as possible in their village, no matter that Poljar itself was very far from being firmly established as a financially sustainable commercial entity. The foreign advisory team appreciated the sentiment involved in such an open membership criteria, but considered that it would undercut the survivability of the co-operative before it had even got started. Intense discussion took place within the co-operative. Later on, when the financial implications of such a membership policy were brought home to the Poljar members – essentially the additional work and cost involved in collecting tiny outputs at harvest time – it was reluctantly agreed that membership in Poljar was perhaps not the best way to help neighbours in distress. Instead, at least until the time when Poljar was itself in a much firmer financial position, such neighbours were shown how to register with various social welfare projects.[16]

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16 Interestingly, the idea to involve almost the entire village as members of the co-operative was one of the main demerits of the old so-called "state co-operative" structures dominant under the former Yugoslavia. State co-operatives were a form of rural development programme designed to raise living standards of all rural inhabitants by connecting them to the main state purchasing groups (see Horvat, 1976). Such a full, open-membership policy naturally generated significant inefficiency in cost within each "state co-operative," but this cost was covered by the state, whereas in Poljar such inefficiency in costs were going to have to be covered by the individual farmer-members themselves.

What this incident shows is that Poljar's motivation was as much
social as economic. Its initial internal goals adumbrated in its Articles
of Association - better living for members, more security, working
together rather than against each other, etc – were mediated by the
co-operative's ambience, structure, and operations, into a set of ex-
ternally-oriented goals related to wanting to help those around them
in the community. This is precisely the process of social capital ac-
cumulation at work.

Yet another incident where social capital was evidenced as an im-
portant factor was in the case of the rate of delivery default. As is
standard in the agricultural sector, the long term delivery agreements
agreed between Klas and the individual farmers (later simplified to
an agreement between Klas and Poljar) stipulated a guaranteed price.
The long term price arrangement allowed for some security for the
farmers, since in bad times, when world market prices for raspber-
ries fell, they would nevertheless always receive the agreed price, but
also vice versa. In addition, an agreement was made stipulating the
percentage of the farmers' harvest that should be delivered to Klas.
Typically, it was agreed that around 90% of the end harvest should
be delivered to Klas, with the remaining 10% held back for personal
family consumption (consumed as fresh jam and pickle-making,
etc.) and selling at the local farmers market for instant cash. Given
knowledge of the size of each land plot, it was fairly easy to calculate
the expected delivery of raspberries each farmer should make after
harvest.

In the second harvest year, however, the market price for category
one raspberries rose considerably above the delivery price agreed with
Klas. This provided an obvious temptation for all farmers to sell as
much as possible on the open market and through other commercial
intermediaries, and naturally to reduce their deliveries to Klas. In
Poljar, however, nearly 95% of the individual deliveries to Poljar were
made within the agreed delivery terms, so that Poljar, in turn, was in
more or less full compliance with its delivery agreement with Klas.
Only 5% of deliveries to Poljar were sufficiently below their agreed
delivery amount as to register some concern that members might be
"playing the system." But elsewhere in the region the situation was
not nearly so good. Alongside the Poljar contract, Klas also retained

a number of contracts with other individual raspberry farmers, some considerably larger than the average in Poljar. And in that year these individually contracted farmers were all way below their agreed delivery amounts, some delivering no more than 20% of the amount of raspberries stipulated in their contract. The resulting overall deficit of raspberries caused some not insignificant production planning problems for Klas that year.[17] It also brought Klas around to realising the enormous value of the co-operative structure, among other things, in terms of it being able to ensure contract enforcement.

Co-operatives and Inter-ethnic Relations

Another incident helps to demonstrate that agricultural co-operatives can not only help to overturn traditionally unequal power relations and resulting patterns of exploitation fundamental to the functioning of market economies in rural areas, but can also help to avoid a potentially combustible inter-ethnic overlay.

Following representations made to one of the powerful local mayors, the project team were asked to meet with two local businessmen who were apparently interested to "help" with the project. The two individuals, both Bosnian Croats, were operating locally in a number of business areas, mainly trade-based. On further investigation, it was found that both individuals were renowned for pretty aggressive business practises, if not outright illegality. Given this revelation, the project team was reluctant that Poljar have any dealings with the two businessmen. However, pressure from the mayor and some other local officials eventually led to a meeting involving the project advisory team, the two businessmen, the two newly elected managers of Poljar, plus the economic development officer from the local government (who was also a part-time member of Poljar). The basic idea proposed by the two businessmen was for a "contractual farming" structure, with them taking over the management of the contract with Klas, including the important logistics operation to be undertaken at harvest time. Their argument was based on their

17 Other food processors in Bosnia were bedevilled by very similar problems with the new generation of private individual farmers, many of whom felt it their right as a market participant to abrogate the terms of any contract when it appeared they could make more by selling on the open market, but would nevertheless "stand behind the contract" when world market prices fell.

understanding that it was much more efficient for them to manage the business side of the co-operative than Poljar's elected managers, who, they said, were farmers-cum-managers, but otherwise were unversed in the day-to-day business world.[18] They would also, they insisted, "treat the farmers fairly." Petitioning mainly to the elected Poljar members present, the two business men addressed their concerns about the distribution of any profit arising in the supply chain, noting that they proposed to take out only their "fair share." At this point, perhaps sensing that they were losing the argument, they suggested that the UK project advisory team was somehow – in fact, *had* to be - planning to extract some significant financial element from the running of Poljar, otherwise the whole project made little sense to them.

After a discussion lasting more than two hours, the meeting broke up to allow the two Poljar members to gather their thoughts. Returning to the meeting room after the short break, they then proceeded to thank the two businessmen for their time, but their decision could only be to recommend to their members that the proposal be rejected. They felt they had made steady progress as a group and that, among other things, the coming harvest logistics operation was certainly going to be a daunting experience for them, but they felt they could manage it successfully. They strongly felt that the co-operative structure was right for them and the best way was to "get close" to Klas in order not to pay out most of their earnings to intermediaries. The standard procedure elsewhere in Bosnia was to work through intermediaries but from what they could see, the average farmer was working harder than ever, yet receiving very little, while on the other hand, the small number of agricultural sector intermediaries were becoming part of the "new rich" in the country. The meeting then broke up and no further formal action was taken.[19]

The two elected managers from Poljar made a good business case for continuing to deal directly with Klas. Outside of the meeting, however, it became clear that another reason was important in the

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18 This was not the case, both elected managers had graduate diplomas, one in psychology and the other in economics.

19 Informally, however, some pressure continued on Poljar through some other channels to relent, but still to no avail.

decision not to recommend the businessmen's offer – one that the project advisory team had not wished to raise, for a number of reasons, but yet seemed to be playing a part. Given that the members of Poljar were from the Bosniak community, the obvious fear for them and for several of their advisors in the local government (also part-time members of Poljar), was that they would succumb not just to an exploitative commercial relationship, but one that so centrally involved an ethnic dimension as well. With the local government and international community having spent much time and energy in the region attempting to achieve inter-ethnic reconciliation, it was felt that an exploitative commercial relationship with an ethnic twist would likely undermine the progress being made. Instead, the co-operative gave the farmers exactly the right institutional structure to avoid such exploitative relationships, no matter what the ethnic group involved as possible intermediary, and so they felt they should use the opportunity to move forward on their own if they could.

Building Links with Local Government
Another two incidents help to illustrate the power of the agricultural co-operative format to establish solidarity links with local government. As elsewhere in the region, the very low level of tax payments in the BRB has been a growing cause for concern. Not only is there widespread tax avoidance, but the dramatic collapse of economic activity over the last decade led to very few operating business units in a position to pay tax. A culture emerged where it was socially acceptable to simply avoid local tax. It didn't help matters when a minor financial fraud in local government was whipped up by over-zealous media outlets to suggest that all local government officials were "living the high life" on local taxes.

A large amount, if not most, of the family farm-based agricultural activity undertaken in the BRB remains outside of the local tax system. It is not just that most farmers fail to make much of a living, but also because small family farms tend to build up networks of cash customers among friends and neighbours. However, Poljar's formal legal status naturally meant that it would be including its farmer-members within the local tax system, some for the first time in their lives. Initially this was seen as a major disadvantage to the farmer-members. The local intermediary networks that sprang up after the

conflict largely remained outside of the tax system, and so could offer "tax-free" prices on all needed inputs. However, Poljar makes up for this tax "disadvantage" through its bulk buying activities, which eventually delivered needed inputs (fertiliser, seeds, equipment, etc.) at prices far below what any individual farmer could negotiate anywhere. A range of other services ensured that the farmer-member became fully aware that working through the informal sector would not be cheaper or easier.

In one particular area – registration of the co-operative – individual farmers were made acutely aware of the local tax system. A basic stipulation of the standard legal documents governing membership of any agricultural co-operative in Bosnia is that all prospective members can prove that they are personally free from local tax debts. The proof takes the form of a certificate from the local tax authorities confirming they are up to date with all their tax payments. For a number of reasons, a good number of the prospective initial members of Poljar had not been able to keep up to date with their tax payments, and had thus fallen into default. However, recognising the potential benefit of the co-operative, these farmers realised the necessity of getting up to date with their tax liabilities. For some of the more well-off farmers, it was simply a matter of paying up. Others in a less fortunate position were forced to dip into savings, while others obtained money from relatives abroad. At the end of the day, however, all the prospective founding members of Poljar were deemed to be clear of any remaining tax debts. Registration of Poljar finally went ahead. The other upshot of this development was, of course, that the local tax authorities quite unexpectedly received a considerable backlog of unpaid tax over the course of just a matter of weeks.

Both of these tax liability issues illustrate the well known fact that co-operatives perform a vital function in formalising informal agricultural activities, and thus help to build important mutually supportive links between the private sector and local government. Developing trust in the public-private link, as well as helping to gradually build up the local taxation base, allows local governments the trust-based environment and financial wherewithal to undertake

a range of crucial, yet creative local economic and social development interventions.[20]

The Trend towards Social Venture Capitalism

It was noted above that Poljar eventually decided to restrict itself to a criterion for membership based on land plot size, and that those well below this criterion simply could not be justified as members. However, the desire to help more widely within the community was not lost, but translated into a very useful form of social venture capitalism.

A decision to develop a project involving sheep cheese production was taken by Poljar. While this product area was not too interesting to many existing Poljar members, it was a major area of interest to those in the village and nearby with little capability to enter into the raspberry growing field (because of poor land) or interest (because their main asset was ownership of a flock of sheep). With some support from outside international donors, a pilot project was developed to test the market. Test products were prepared and possible market outlets examined. Unfortunately, the initial indications were that sheep cheese production was going to be quite uneconomical. Another similar project direction involved moving into strawberry production and linking in to a Prijedor-based fruit processor. With support from USAID, the links were made and some initial business activity begun. It remains too early too tell whether this new line of business will be possible or not, but again, it seems that business lines are being tested that are not strictly of primary benefit to existing members, but considered out of a concern to be neighbourly. Finally, hearing of the "good things" going on in Poljar's village of Željezno Poljar, an Islamic charity dealing with land bequests offered to grant Poljar a long term free lease to four hectares of land in the valley bottom to be used for raspberry growing. The co-operative jumped at the chance, since it would mean useful additional capacity and paid

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20 Under the former Yugoslavia, so-called "local Keynesianism" – the creative recycling of local financial flows - was widely and quite efficiently used to promote local inclusion, equality, and social solidarity (Bateman, 1993). Elsewhere in South East Europe (see Bateman, 2001) the "developmentalist" role of local government has been recognised as a crucial precondition governing south east Europe's ability to recover and successfully rebuild the peace.

work for Poljar's members if they wanted it, but also the chance to offer some paid work on good terms and conditions to a number of landless villagers without other means of support. Recognising the "charitable spirit" at work, the local government even found in its budget the money to install a "drop-by-drop" irrigation system on the donated land.

It is as yet too early to tell if such projects will create something of real value in the region. But to focus on the likely economic benefits of the projects is to capture only part of the story. Instead, the important thing to understand from these various actions is that Poljar members were willing to try something on behalf of the community just as much as, if not more than, for themselves. Such projections are the seeds of local trust-building, mutual support, goodwill, and reciprocity – that is, once more we are seeing the social capital building process at work.

Lessons Learned?

The Poljar example illustrates a number of key points. It certainly illustrates quite well the widespread claim that the co-operative structure is ideal to facilitate sustainable livelihoods within a previously disadvantaged community. Members with little previous business experience found the atmosphere of mutual support important, while the obvious cost savings realised across many fronts (bulk buying, transport, administration, etc.) were quite crucial in helping Poljar to get on a firm financial footing. Most importantly, it is of real importance for Poljar's members that it is able to capture additional value in the supply chain by working directly with the main buyer, Klas. In many agricultural regions, it is precisely the *lack* of such a direct connection that holds back sustainable agricultural development.

However, by far the most important point of these is the extent to which co-operative structures facilitate the accumulation of local social capital. The direct link between the activities of Poljar and the construction of social capital in the community was well illustrated in several of the episodes covered. Developing new product lines in order to absorb local unemployment, such as sheep cheese and strawberries, is a classic manifestation of "Mondragon-style" social capital venturing at work. Building a relationship of trust and mutual support with local government structures is another outcome with

potentially enormous significance for the future. Creating sustainable local jobs and facilitating the conditions for a higher local tax base greatly complement the local government's own range of local economic development activities. The local government's provision of grant funding to the co-operatives for "drop-by-drop" irrigation systems was recognition of their economic development activities on behalf of the community. As analysts such as Tendler (1997) have shown, inculcating greater trust, co-operation, and reciprocity between local communities and their local government is the best way to ensure public officials are committed to their work and public service improves.

Of course, there is also a risk that the flow of movement within the community need not necessarily always be in the direction of greater trust, security, and fairness; it can potentially go the other way too. The episode recounting the entry of two local businessmen shows that in a largely unregulated business space, the local business sector is reflexively prone to overt aggressiveness and power-mongering. Had they obtained an intermediary role in the Poljar story, the chances are the two businessmen would have immediately snuffed out all aspects of "quasi-community development," and thus social capital building, it is difficult to believe other than that their "cut" of the rewards in the supply would have increased over time at the expense of the members of Poljar. It was therefore important that the confidence of Poljar's managers was such that they could successfully defend their position.

Overall, the key global lesson here is that co-operatives, such as Poljar, can usefully combine economic and social aims in a way that serves the interests of members, but also projects and multiplies a range of benefits within and across the wider community. Generating social capital was a natural by-product of the co-operative in question – indeed, the co-operative members were advised on occasion to temper some of its more costly schemes geared largely towards helping their friends and neighbours. As the co-operative began to play a more important role within the community, it clearly served to (re)build solidarity links with local government, across the local community, and further a field, that is, both "bonding" and "bridging" social capital were being created. In a very real sense, therefore,

agricultural co-operatives such as Poljar have real potential to contribute toward the peace-building process in Bosnia. It therefore goes without saying that supporting the co-operative sector in Bosnia, and by extension in other post-conflict regions too, would appear to be an eminently sensible idea, an idea likely to promote both sustainable economic activity and the necessary local building blocks required for a peaceful community to emerge and be sustained.

CONCLUSION

This chapter has shown that co-operative concepts can play an important aspect of peace-building in South East Europe. I have pointed out that the quasi-co-operative "workers' self-management" structures that emerged in 1950 within the "new" Yugoslavia were an important factor not only in the subsequent economic success, but also in helping Yugoslavia rebuild peace through constructing a high degree of social capital, equality, and fairness. This still remains an important achievement, even though such high accumulations of social capital were later deliberately swamped by nationalist pressures in the run up to the Yugoslav Civil War. The process of social capital building then had to begin all over again. However, from the examination of one co-operative experiment begun in 2002 in Central Bosnia, it was pointed out there are grounds for real optimism that the social capital accumulation process is finally remerging. A brief analysis of one agricultural co-operative in the central Bosnia region highlighted the fact that social capital building processes are once more at work in Central Bosnia, and social capital is being accumulated and projected into the community in very positive ways. Only time will tell whether such positive economic and social development trajectories can continue to be dynamic and consistent, and thus secure a sustainable peace in the region, or whether a renewed bout of extreme nationalism and further macroeconomic deterioration will combine to destroy such achievements once again.

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JULIAN HAVERS

Co-operating for Peace: Post-Conflict Recovery through Self-Help

This paper is built on the hypothesis that co-operative forms of organization may be uniquely suited to meet the challenges to livelihood support and socio-economic recovery in conflict environments.[1] Co-operatives are here understood as "autonomous organization[s] of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations though a jointly owned and democratically-controlled enterprise."[2] As the need for livelihood protection is one of the key challenges in conflict prevention and post-conflict recovery, the ways co-operatives can meet this challenge will be discussed.

The first section describes some critical challenges that are involved in restoring livelihoods in conflict-affected countries and analyzes

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1 This paper derives from a research project lead by the Co-operative Branch of the International Labour Office (ILO). The research project seeks to explore the linkage between co-operative modes of business and conflict prevention. The project was funded by Deutsche Stiftung Friedensforschung (German Foundation for Peace Research) and implemented in collaboration with the ILO Berlin Office.

2 This definition is in accordance with the ILO Promotion of Co-operatives Recommendation, 2002 (No. 193).

how they relate to the advantages of co-operatives in this context. First, the paper describes the difficulties of protecting livelihoods in the context of low productivity in agriculture and in the urban informal economy. It will be argued that co-operatives have a comparative advantage in solving these problems and already have a very significant presence in many conflict affected countries. Second, the paper argues that successfully balancing the need for collective action and organizational independence of their members is the main advantage of co-operatives as an organizational tool in the informal economy. Third, the paper explores horizontal inequalities as a source of conflict and analyzes how co-operatives can be bridge-makers between conflict affected communities.

The second section analyzes in more detail how members of co-operatives meet the post-conflict livelihood challenges they face by achieving economies of scale, mitigating risks, and building up markets. The paper will also discuss the risks and bottlenecks associated with seeking to promote co-operatives from a policy perspective. It concludes with a number of points that need to be born in mind when designing post-conflict reconstruction programmes.

THE CONTEXT: RESTORING LIVELIHOODS IN CONFLICT AFFECTED COMMUNITIES

The vast majority of conflicts today occur in developing countries, where they contribute to high rates of unemployment, social exclusion, and inequality; they make it difficult for societies to find their way out of poverty. According to recent estimates, between 1998 and 2003, twelve million people lost their lives in connection with civil or intrastate wars. The question of peace-building is therefore a central concern to current development thinking and action. Also, current research has shown that most of those who lost their lives did not die in combat, but were victims of the poverty dimension of war. During recent conflicts in Sub-Sahara Africa, only 3 to 10% of total war deaths were due to fighting. The great majority of victims died of hunger and disease caused by a loss of livelihood. Thus, the protection of livelihoods in conflict environments is an end in itself, and a key element in mitigating the human cost of armed conflict.

Supporting communities affected by war is complex and difficult to achieve. Although there is a broad international response mechanism in place to facilitate peace building and humanitarian aid, after the first wave of emergency aid communities needing assistance are often left alone with their plight. The potential role that national governments can play is often limited, due to the fragile institutional structures they work within that contributed to the outbreak of the conflict in the first place. Foreign private investors are often reluctant to engage in areas where property rights are uncertain and law is not enforced as a result of conflict. It is therefore often up to the local community and the local economy to provide protection mechanisms and employment. Co-operatives, relying on the principle of self-help and empowerment, can often play an important role in sustaining conflict-affected persons during periods of state failure—offering a means to restore livelihoods and community structures. This paper argues that they can therefore become important building blocks in post-conflict recovery, and that unlocking this potential is important in enabling people to make transitions from short-term survival strategies to more productive long-term recovery activities. Indeed, many co-operatives were born out of adverse economic conditions, which appear to have fostered the determination to overcome these obstacles, and have built a sense of solidarity upon which the spirit of "co-operative unity" is based.

This paper is focused on post-conflict recovery,[3] as this seems to be the period when there is the highest potential for the involvement of co-operatives to reduce the human costs that follow armed conflict. This is also the period when attention shifts from short-term humanitarian needs to the long-term issues of recovery and development. Yet, in practice it is often impossible to determine with any certainty whether a particular situation is post-conflict or not. This is underlined by recent research, which has shown that post-war societies have a 44% chance of falling back into violent conflict in the five years following the termination of war. From an analytical perspective, it is therefore better to speak of "conflict environments" rather than "pre-" and "post-" conflict situations, as this better reflects the nature of contemporary conflict. Often conflicts have a murky and

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3 "*Post-conflict*" is the situation after the termination of the main hostilities.

imprecise beginning, and insecurity persists beyond the signing of peace agreements.[4]

Problems that arise from reconstruction after conflicts are very complex, and their solutions depend on the circumstances of each conflict. Nevertheless, it is possible to present some typical problems that emerge in conflict-affected countries. Below, I explore several of the major areas of concern.

Livelihood Security for the Vulnerable
Effective strategies for protecting livelihoods in conflict environments can be formulated only with a clear understanding of the identity of those who are particularly vulnerable in conflict. Who are the vulnerable and where do they work? Violent conflicts hit different socio-economic groups in different ways, but the poor are always the worst hit. This is because they have fewer resources at their disposal that they can use as a buffer in case of income loss. It is estimated that three-quarters of the world's poorest live in rural areas and are directly or indirectly dependent on earnings from agriculture. Another important sector is the urban informal economy. Poverty is a multifaceted phenomenon which affects different people differently. However, in general terms, those who are poor, and therefore particularly vulnerable in conflict, tend to be those working in either the urban informal sector, the rural informal sector, or agriculture. Thus, strategies for protecting livelihoods in conflict-affected communities cannot ignore these sectors.[5]

In the area of agriculture, co-operatives, by their very nature, have a comparative strength. Experience from those countries that have succeeded in reducing the vulnerability of workers in this sector indicates the potential for co-operatives to achieve this result. In India, for example, self-organization in co-operatives has been an impor-

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4 Cramer, C., and J. Weeks, *Analytical Foundations of Employment and Training Programmes in Conflict-Affected Countries* (Geneva: ILO, 1998).

5 For a paper summarizing the ILO policy on poverty eradication, see: 289th Session of the Governing Body of the International Labour Organization, *Productive Employment for Poverty Reduction and Development* (GB.289/ESP/2).

tant factor in raising the productivity levels and incomes of poor farmers. However, raising earnings through improved employment conditions is often not enough. The key issue is empowerment of the poor so that they can provide each other with mutual protection. They need to be prepared for the loss of the family bread-earner or the family home as a consequence of war. It can be equally important to give voice and representation to the poor so that their needs are not ignored in times of social change.

There is a wide array of examples for the use of co-operatives providing livelihood opportunities in conflict-stricken environments. In Rwanda, over 1.6 million men and women are in organized co-operatives, of which there are 34,000. This means that as much as 38% of the Rwandan working population is organized in co-operatives. In addition to co-operative members, about 1.9 million others, although not members because of age or economic inactivity, depend on co-operatives as one of their sources of income. Here co-operatives were vital in sustaining the population during years of conflict that brought the country close to collapse in the aftermath of the Rwandan 1994 genocide.

In Jamu Kashmir, India, over one million women and men are organized in co-operatives, representing about 25% of the labour force. Thus, there can be no question that co-operatives already contribute significantly to providing a secure livelihood for war victims. To be sure, co-operatives do not grow better in conflict environments. A well-functioning farmers co-operative may find that most of its farming tools have been stolen during the war, and that its members have fled the region. Even if they wish to do so, the lack of credit may make it difficult for the co-operative to restore its operations. However, the available evidence suggests a remarkable resilience of co-operatives in maintaining their operations, despite the difficult circumstances. The large size of the co-operative movement in these countries does of course not imply that co-operatives by their sheer size helped to pacify the countries concerned, however, it shows that co-operatives are an important source of livelihood, and thereby help to mititate some of the disasterous poverty consequences of violent conflict. This can be seen as a contribution to peace in its own right.

Although there is wide-ranging consensus that finding employment is one of the main problems in conflict-affected countries, the poor and vulnerable are usually employed. Often the problem is not so much open unemployment, but more frequently the inability of job-holders to ensure for themselves and their families decent living standards. In other words, in the absence of social security and safety nets the poor do not become "unemployed", but rather, engage in unproductive "survivalist" self employment. This is not to suggest that those employed in the protected "formal" economy are not equally strongly affected by conflict, instead, the poorest and most vulnerable are typically concentrated in informal kinds of work arrangements. These employment arrangements are unprotected by the regulatory capacity of the state and therefore "informal." The key challenge of post-conflict reconstruction is, therefore, not just to promote any kind of employment, but to promote jobs that are decent and guarantee a liveable income.

If one accepts the primacy of employment, it follows that development programmeing after war must base itself upon a broader set of tools. Several of the available policy options that have worked in the past could be broadly described as livelihood-based approaches to conflict recovery. This could mean the promotion of small enterprises, active labour market policies, and the provision of social security to adjust for the negative impact of change. Co-operative development should be part of this integrated approach. This implies turning away from a narrow focus on macroeconomic stability. This point is strengthened by the argument that an early recovery of the labour market is also important in creating interests vested in the achievement of peace. This contains targeted interventions for special commitments in the peace process itself – such as demobilization of former combatants and the reintegration of returning refugees, and, more broadly, the building-up of a growth dynamic that is able to sustain itself in the long term.

Organizing the Informal Economy
Often the number of working poor can increase dramatically in the face of conflict. From an economic perspective, this is explained by a paradoxical phenomenon: fighting during conflict leads to the depletion and destruction of public infrastructure and private capital.

This raises the availability of labour relative to capital and lowers the bargaining power of labour. As a consequence, conflict situations are characterised by a push from formal wage-labour employment to informal employment. At the same time, there can often be shortages of skilled labour in conflict environments because those who emigrate are usually the better skilled people. Thus, in conflict environments, much or most of the population is likely to be engaged in the informal economy. In Angola, for example, only 10% of the country's GNP is estimated to be produced through enterprises that enjoy regulation by the state, while Somalia has no formal economy at all.[6]

The importance of effective self-organization can therefore hardly be overstated. However, a lot of efforts have been made to organize the unemployed and underemployed, so that they can have a voice to represent their case and protect their interests. These efforts have, in many cases, not been successful. We still need to find ways for the self-organization of informal workers to replicate the impact that unionization has had on combating poverty in the formal economy. The co-operative model offers a rare window of opportunity in this context, as it provides a way for the working poor and informal sector workers to organize themselves. Co-operatives and workers' organizations are, however, vastly different, as they respond to different needs. Whereas workers' organizations focus on social dialogue with employers, co-operatives respond to the needs of the self-employed. This is because, in the informal economy and in agriculture, the number of self-employed is proportionally much larger than in other sectors, as establishments tend to be small. By establishing a co-operative, members delegate some of their activities to this joint enterprise, which they commonly own and control. At the same time they maintain entrepreneurial independence and production. Members of a purchasing co-operative, for example, do not buy needed articles on their own, but transfer their purchases to the jointly-owned co-operative. Co-operative members must see distinct benefits in this model, since otherwise they would, in the long term, find other ways

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6 Piet Goovartes, Martin Gasser, and Aliza Belman Inbal, *Demand Driven Approaches to Livelihood Support in Post-War Contexts: A Joint ILO-World Bank Study* (Geneva: ILO, 2005).

to organise. They could, for example, merge their activities together into one large enterprise. The potential of the co-operative as an organizational device, critically depends on the way it strikes a balance between organizational independence and collective organization of its members.

Social Exclusion and Horizontal Inequalities
After conflicts, communities are often divided, especially if the conflict involved the segregation of communities that had mixed memberships before the war. This segregation leads to societies that are divided along ethnic, sectarian, or regional lines. In many cases, these identity-based boundaries coincide with social boundaries between the poor and the wealthy. Some social groups may be excluded or marginalized from society, which leads to grievances and frictions, and undermines economic recovery and reconciliation. Experience from different countries has shown it is crucial that relief and development programmes in conflict-affected countries are designed in an inclusive way, in order to avoid the inequalities that led to conflicts in the first place.

Thus, the prime challenge of post-war reconstruction is to ensure that the recovery process itself leads to a more equitable and inclusive growth. Co-operatives aspire to counteract social exclusion and empower vulnerable groups, such as refugees, former combatants, the internally displaced, informal-sector workers, and small-scale farmers. In conflict-affected countries, certain parts of the population are often particularly vulnerable and warrant special attention in livelihood support. On the other hand, affirmative action for the benefit of special groups can lead to jealousies and tensions within the community, especially if these social boundaries are perceived in terms of ethnicity or religion. Therefore, co-operative development interventions must be embedded within a broader social contract. In Guatemala, for example, the co-operatives that spread widely among the indigenous and tribal communities were recognized as an important part of the reconciliation process. Co-operatives helped to bridge the socio-economic divide between the indigenous and tribal peoples and mainstream society while, at the same time, preserving their cultural identity.

Failed peace attempts have been attributed to the lack of addressing inclusiveness during the recovery process; thus, running the risk that the post-war social and economic order will replicate the grievances that created the war in the first place.

HOW CO-OPERATIVES MEET THESE CHALLENGES

The discussion so far has underlined the need for livelihood support in conflict-affected areas, and it has underlined the multiple facets of the problem. Co-operatives can contribute directly to addressing these problems, through furthering the aims of their members and employees, and indirectly, through stimulating the economic recovery and strengthening social trust in the communities they work in. Co-operatives combine social values with business and commercial considerations. As private-sector businesses, they contribute to economic recovery and employment creation. Through their social values, they promote self-help, self-responsibility, democracy, equality, and equity. The following section analyzes the diverse methods through which co-operatives can offer useful services to communities who are in the process of recovering from major crises: These services include: 1) creating economies of scale, 2) mitigating risks, 3) establishing markets, 4) providing credit support and financial services, and 5) relationship building.

Creating Economies of Scale

In the economic literature, the main reason discussed for setting up a co-operative is to utilize economies of scale.[7] By pooling their limited individual means together, co-operative members are able to share production costs and purchase of market production machinery. Thereby, individual producers can obtain some of the key advantages that are otherwise only available to larger establishments. For small-farmers in southern Sudan, for example, substantial up-front investments are needed if farmers wish to move from pure subsistence farming into agro-food processing. Most of these investments, such as purchasing a flour mill, for example, are sunk costs and cannot be easily used for other purposes. In these conditions, the incentives for

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7 See, DÃ¼lfer, *Betriebswirtschaftslehre der Genossenschaften und vergleichbarer Kooperative* (Goÿttingen : Vandenhoeck and Ruprecht, 1995).

farmers to integrate vertically by setting up a co-operative are high. This is especially so because farmers are otherwise dependent on a limited number of millers, who are always faced with the temptation of charging monopoly power for their services. Subsistence farmers and those engaged in agro processing and trade are often divided by different ethnic backgrounds. In this context, farmers tend to feel exploited, and prefer to protect themselves against opportunistic behaviour by setting up a co-operative. This is not to say that farmer-supplier relationships cannot be to the mutual benefit of both parties. Although not wanting to place blame on the producers, individual farmers, in general, do not achieve the same economic success as members of co-operatives do. Unfortunately, the aid currently given to farmers in South Sudan focuses on seed and food distribution and the potential for farmers to organise themselves into co-operatives remains underutilized.

Mitigating Risks

A variety of recent studies have put a particular emphasis on the co-operative model as a way to mitigate and manage risks. Economic research suggests that individuals who are vulnerable are more averse to take entrepreneurial risks because of their economic vulnerability than those who are better off. According to Spiegel and Alwang (1999) poor households who have limited assets at their disposal are more risk averse because they have more to loose if an investment fails to yield appropriate returns. This risk aversion can cause avoidance of entrepreneurial risk taking, which may in the long run contribute to a vicious cycle of poverty. In agriculture, risks are a constant companion. In civil war situations, natural production risks are compounded by the risks of looting and asset destruction due to fighting. Nonetheless, those who live in conflict zones deal with these risks in a similar fashion in that they seek to minimize risks. This minimizing leads to short-term strategies where long-term solutions would be more apt. Even when wars have ended, this attitude towards risk-bearing often lives on in the minds of people, and can become a constraint to economic recovery.

Co-operatives offer a variety of ways by which their members manage to limit risks. As co-operatives are both economic enterprises and social associations, members are often united through familiarity.

316

This reduces the likelihood of opportunistic behaviour that would be to the detriment of the joint interest of the group. Research on co-operatives in Europe, for example, has demonstrated the effectiveness of such vertical integration strategies in reducing risks. According to the study, small enterprises are significantly less likely to go bankrupt if they are organized as co-operatives.[8] This is explained by the multiple-linkages of co-operative banks, agricultural co-operatives, and other enterprises in rural Germany, which leads to mutual dependence and trust. This vertical integration is facilitated through the co-operative structure, consisting of primary co-operatives and federations on both regional and national levels.

Establishing Markets

Another branch of literature on co-operatives focuses on the way co-operatives deal with market failures. Some of the most severe cases of market failure have been observed in conflict circumstances. If the government is unable to guarantee the enforcement of contracts, the costs involved in buying and selling products (transaction costs) are much higher than under normal circumstances, as sellers have no authority to which they can refer to if the buyers refuse to pay. According to Jochen Röpke, co-operatives offer a model to mitigate the negative impact of this effect.[9] Transaction costs within co-operatives are generally lower than on the open market, and they do not increase dramatically in times of crisis. Farmers who are members of agricultural producers' co-operatives, for example, often perform a large number of transactions within their co-operatives, which cater to different needs ranging from giving credit for marketing, warehousing, or input supply. In times of crisis, the principle of user-ownership acts as a safeguard against theft and fraud within the co-operative. Of course, in dealing with the outside world, the co-operatives face the same risks and uncertainties and they also have to pay high transaction costs. However, the common practice of co-operatives to link different services together reduces the need to make costly transactions outside the co-operative. Furthermore,

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8 Zerche, J., and R. Schulz, *Genossenschaften als Kooperationen. Einführung in ein wissenschaftliches Sondergebiet* (Regensburg, Germany: Transfer, 2000).

9 Röpke, J., *Strategic Management of Self Help Organizations* (Marburg, Germany: Marburg Consult, 1992).

317

production and marketing risks are equally shared among members, and as a consequence, risks are more diversified than the risks a single producer would face. Thus, co-operative members are able to bypass the problem of failing markets in times of crisis and thereby alleviate some of the root causes of poverty in these periods.

Building Relationships

Co-operatives are value-based enterprises and they are built upon the principle of democracy. As such, their role goes beyond pure economic needs. They can also contribute to post-conflict recovery through relationship-building and fostering people-to-people inter-action in divided societies. On various occasions, they have been on the forefront of attempts to bring together previous enemies, and to establish ties of co-operation and confidence, as between Palestine and Israel. This role is, to a certain degree, built on co-operative principles which emphasise the values of living together, promoting an equitable path to development, and valuing democracy. Through this role, co-operatives can provide positive examples to the community. These positive examples include Northern Ireland and the Republic of Ireland where agricultural co-operatives have always maintained good working relationships throughout the conflict between Loyalists and Republicans. Credit unions have also worked together across the ethnic divide. As a consequence, John Hume, one of the leaders of the Irish credit union movement, was awarded the Nobel Prize for Peace in 1998.

LIMITATIONS AND RISKS

While co-operative approaches have considerable benefits that have been described above, the implementation of this approach also entails certain challenges and bottlenecks that need to be taken into account. One of these problems relates to *collective action problems* that can emerge in co-operatives at different stages of their development. They can arise, for example, if members loose motivation as soon as they realize that they can benefit from the co-operative's services regardless of their own contribution. For a long period of time, this was believed to be the main source of inefficiency in co-operatives. There is a wide body of evidence now that these arrangements

can reach levels of efficiency that are comparable to private property.[10] The real problem is, however, that this requires an institutional learning process, and that external forces can do little to leapfrog this process. It is entirely up to members to learn the norms of reciprocity and the "identity principles" of the co-operative movement that guarantee all members have a stake in the success of their enterprise and they are the "residual claimants"[11] of the venture.

Thus, policy makers and development planners face a real dilemma. On the one hand, post-conflict settings require resources to support co-operatives, yet on the other hand caution is required since the initiative ultimately must come from the co-operators themselves. This idea was phrased in Hans Münkner's famous saying: "It is misleading to say that co-operatives have members. It is more correct to say that members have their co-operatives. Co-operatives do not help the poor, … but the poor can solve some of their problems by way of organized self-help and mutual aid better than alone."[12]

CREATING A SUPPORTIVE ENVIRONMENT

What I propose — on the basis of the above considerations — is an approach that could be described as assisted "self reliance." This means that external resources should be used with the priority given to the provision of training to develop the ability of members to build up their co-operative, research, and management advice to help co-operators explore their comparative advantage, and "smart" funding that provides access to finance and investment while avoiding problems of dependency. Thus, external funding should focus on building up capacities in the long term. Concerning the role of government, it is important to underline the need for the independence of co-operatives. Yet, on the other hand the available evidence does

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10 See: Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action* (Cambridge; New York: Cambridge University Press, 1990), and Ostrom, E., R. Gardner, and J. Walker, *Rules, Games, and Common-Pool Resources* (Ann Arbor, University of Michigan Press, 1994).

11 The residual claimants are the persons who are entitled to all of the revenue left after all contractual obligations have been settled.

12 Münkner, H. (ed.), *Best Practice: Innovative Approaches to a Co-operative Solution of Housing Problems of the Poor,* ICA Housing Co-operatives Habitat II plus 5, (Marburg: Marburg Consult).

not support a "hands off" approach for governments towards co-operatives. In the past co-operatives have been promoted and nurtured by persons from "outside" in most cases. The solution for governments can therefore not be to stay away from co-operative policy, but to engage with co-operatives in a long term strategic approach that is mindful of both risks and potentials.

THE ROLE OF THE ILO

The previous analysis has shown the contribution co-operatives can make to solve problems associated with livelihood support in conflict settings. The ILO is not a neutral observer in this process, but a facilitator and promoter. The ILO is involved in numerous country level activities in response to violent conflict. It develops relevant tools and knowledge, and it plays a facilitative role to ensure that employment is put at the centre of economic and social policy after war. The ILO is above all a norm setting institution, and plays a facilitative role through its policy advice on co-operative legislation based on its Recommendation 193.

Recognizing the potential of co-operatives, the ILO has been promoting co-operatives in its participatory, bottom-up approach to post war recovery. The ILO's approach is based on a mixture of capacity building intervention and credit, in order to strengthen the capabilities of affected communities to help themselves. Instead of bringing in preconceived notions or external blueprints to be followed locally, the ILO's approach in post-war recovery and reconstruction is based on a participatory methodology. As mentioned earlier, this implies that community members have input into the design of the project in order that it meet local needs, while external agencies are there to provide advice and facilitate financial support. Co-operatives have been involved in a variety of programmes such as the INDISCO programme in West Papua, which is funded by the Human Security Funds of the UN. However, the classic example for co-operatives being used in post-conflict recovery, is the PRODERE project in Central America.

Example: The PRODERE Experience
As part of the PRODERE programme in Central America, the ILO played a major role in the rebuilding of local economies following a period of violent conflict. The approach was to revitalize economic initiatives of the local population through the promotion of co-operatives and small enterprises. In order to facilitate this process of economic recovery, Local Economic Development Agencies (LEDAs) were established in some conflict affected areas. The focus in the initial project period was to achieve quick and visible results, in order to create confidence in the reconstruction process. Then a parallel process was initiated that included a mapping of each area's potential in terms of resources and existing opportunities. Subsequently, strategic plans were developed with full participation of all the main stakeholders. As a consequence, the activities of the LEDAs varied considerably from one region to the other in order to respond to local demands. In most cases, co-operatives played a key role in the process of economic recovery. Due to the success of the overall project, this local economic development approach has been replicated in a variety of conflict affected countries such as Somalia, Serbia, and Mozambique.

POLICY RECOMMENDATIONS

1. *Seek to Use Exisitng Social Institutions*—The international community contributes most productively to post-conflict recovery when it supports activities that already have social roots in the territory concerned. Wherever possible, development and humanitarian agencies should seek to use existing institutions, as the provision of assistance outside of established social institutions risks creating parallel structures that do not link up with the local civil society. Initiatives to support co-operatives are not immune to such risks. However, in a wide array of conflict-affected regions ranging from Kashmir to southern Sudan and Rwanda, co-operatives already have a strong standing in the community, and their potential should be utilised.

2. *Develop Co-operatives as a Tool of Post-conflict Recovery*—Development agencies should consider reviving their efforts to promote co-operatives as a tool for post-conflict recovery. They

should facilitate access of co-operatives to support services in order to strengthen them, their business viability, and their capacity to secure livelihoods. The degree of scope and timing should match actual requirements, honour the principles of member control and co-operative autonomy, and seek to avoid long-term dependencies. Elements of a possible strategy could include optimising the co-operatives' legal framework, improving the quality of their human resources through training, and assisting them in linking up with financial institutions.

3. *Priortise Skill Development from the Beginning*—Co-operative movements in post-conflict situations face skill shortages at times when a skilled workforce is in high demand. Governments, as well as humanitarian and development agencies, must prioritise skill development from the beginning in their interventions. The economic and social changes that tend to unfold during this transition often require co-operative members to perform new functions that they were not used to undertaking during the war economy. Special training is required to ensure that co-operative members can organise their communities on a self-help basis. Early training would also help to ensure that the local community can duly participate in the numerous employment and commercial opportunities that arise in times of economic recovery. The priority level for skills development could stand to be increased in the international community's response to post-conflict challenges.

4. *Help Ensure Access to Credit through Establishing Co-op Federations*—Lack of capital for investment is one of the key constraints that co-operative movements face in post-conflict settings. Successful assistance to co-operatives, therefore, depends critically on providing a solution to the issue of insufficient capital. The problem is that, in conditions where markets are poorly developed, co-operatives usually have difficulties in obtaining credit on the open market, as they lack collateral. One of the key areas for intervention should be to help establish co-operative federations to increase the access to credit through the development of mutual guarantee mechanisms.

5. *Establish Broader Policy Options*—Humanitarian agencies need to establish a broader "tool kit" of policy options. Standardized short-term interventions may fall short of meeting the priority needs of affected populations in the short- and long-term and may only partially exploit the range of policy options available. Several of the available policy options that have worked elsewhere could be broadly described as livelihood-based approaches to conflict recovery.

PEACE BUILDING: THEORY & COMMUNITY MOBILIZATION

YEHUDAH PAZ

Working for Peace: The Role of Co-operatives in Conflict Resolution

I n recent times, we are witness to the emergence of significant new perspectives on conflict resolution. These relate not only to methods of bringing violent conflict to a halt, but also to the movement from truce or cease fire (these being at least partial and temporary cessations of killing, maiming, and destruction) towards peace, with all its connotations of broad scope and permanence. Indeed, they go even further and seek to set out conceptual approaches and practical programmes designed to create reasonably secure, attractive, and constructive alternatives to conflict. Or, risking slogan-like simplicity, to first move from being enemies to living as neighbours, then from neighbours to partners, and finally, from partners to friends.

It would be well to note that, while we draw warmth from the end of the Cold War, the bitter winds of conflict continue to blow, chilly and threatening, in many parts of the world. In 2002, the UN marked more than 50 serious conflicts taking place in the world, counted more than 4 million lives lost in them and more than 30 million refugees they have created (over 85% of the victims come

from the civilian population) – and this says nothing of conflicts temporarily "on hold" but more or less prone to explosion, or, even more chillingly, of the emergent threats of major regional, and possibly even global-scale conflict, or of the threat of violent terrorism. Global peace may be the order of the day, but peace on the globe is an, as yet, unachieved goal. Conflict, which is anything but new, is also anything but over.

The most significant of these emerging perspectives are two: the people-to-people peace process and the link between conflict resolution and sustainable human development. The centrality of economic and social advance for each of these is readily apparent, as is the relevance of the co-operative movement to their achievement.

THE PEOPLE-TO-PEOPLE PEACE PROCESS

Turning first to the issue of the people to people peace process, this new perspective can be summed up along the following lines:

The process of conflict resolution undoubtedly depends on and derives from what is generally termed the "political peace process," that is the initiative and active involvement of governments and of political institutions (national and international), both at the initiatory stages and on an ongoing basis. But we now also recognize the fact that governmental/political agreements, however carefully crafted and however effectively underwritten by international agencies or by major powers, cannot by themselves alone serve as the creators and guarantors of a long-term process of conflict resolution. This process must rest on more than formal agreements and political guarantees. Peace will take root and flourish only where there is growing mutual confidence, deepening mutual understanding and knowledge, an effective process of co-operation, and a framework of mutual interdependence between those who, yesterday, were enemies. What is required is the development of a people-to-people peace process parallel to the political peace process carried out by governments and political institutions.

LINKING CONFLICT RESOLUTION TO SUSTAINABLE HUMAN DEVELOPMENT

A further important component in the process of conflict resolution is its link to sustainable human development. Conflict resolution must find concrete and immediate expression in terms of changes in the economic and social realities of people's lives.

Every move away from conflict and violence, towards resolution and peace, opens a window of opportunity for sustainable human development. In addition, certain development-related issues which are specific to conflict resolution situations must be addressed. The success of the peace process depends, in no small measure, on the effective response to these challenges and needs.

One of the most important aspects of every conflict resolution process is the hope that peace will serve as the basis for a major leap forward in terms of sustainable human development, including aspects such as expanded employment under conditions of decent work, basic needs satisfaction, and enhanced standards of living. The advance of sustainable human development is a significant element in successful conflict resolution between neighbouring countries, but no less so, in regard to conflicts between groups or sectors within one country.

There are also specific development issues directly related to the move from conflict to conflict resolution. In virtually every conflict resolution situation, there exists a population (including ex-guerrillas and ex-soldiers) which, after years of military or quasi-military service, will now be seeking work in the civilian sector. For regions which have suffered and have been stultified during many years of conflict, near-normal development has at last become a realistic possibility. These challenges must be addressed if the conflict resolution process is to succeed.

The price to be paid for the failure to link conflict resolution and development is a high one indeed. The closure of this window of opportunity leads not only to the loss of a, perhaps irretrievable, chance for rapid development, but also to serious endangerment of the peace process itself. Without development, significant sectors of the population just recently liberated from the conflict situation may

be tempted to return to it once again. Where people see little change in their lives and in their hopes for their children, the danger of a drift towards the renewal of old hatreds, toward religious fanaticism, and nationalistic extremism is all too real. Where there is no advance toward development, the slippery path from despair to hatred, and from hatred to violence, is once again trodden all too often. The failure to seize the opportunity for development, which the initiation of the peace process provides, is in itself clearly a major failure; worse, it could well create grave dangers for the peace process itself.

THE ROLE AND RELEVANCE OF CO-OPERATIVES

Clearly, co-operatives can and should play a major role in both the above-mentioned aspects of conflict resolution: the people-to-people peace process and the linkage between conflict resolution and sustainable human development. This is true for a variety of reasons.

As noted, economic and social concerns are fundamental components of all peace processes. As these are direct and immediate areas of concerns to co-operatives, their significance in the formulation and realization of the process of conflict resolution is apparent.

Co-operatives have long been actively concerned with, and involved in the promotion of development in both urban and rural settings. Therefore, when the promotion of sustainable human development is recognized as an integral component of the peace process, co-operatives should be involved directly, as well as in partnership with relevant government and international bodies.

The people's organizations, of civil society, are the vehicles for the realization of a people-to-people peace process. Co-operatives are a leading component of civil society, in terms of their size and geographical scope, in terms of their long-term histories, and in terms of their organized institutional frameworks at local, national, regional, and international levels. Clearly, they can and should play a major role in this most critical component of conflict resolution.

Because of their wide geographical scope and because they also reach out to a variety of ethnic and national minorities within nations, co-operatives frequently have members on both sides of conflict situations, both between countries and within them. Thus, they can bring significant numbers of men and women into effective in-

teraction with each other, across the barriers of yesterday's conflict. This makes it possible for them to make a singular contribution to the conflict resolution process, and to the creation of a peaceful reality when that process has taken root.

Not least, co-operatives have long regarded the promotion of peace as a core element of their values. While they are fundamentally devoted to serving their members and responding to their needs, co-operatives are also committed to promoting the welfare of the communities of which they are a part. The furtherance of peace and the resolution of conflicts are clearly central to this commitment.

For all these reasons and more, co-operatives can indeed play a central role in moving peace forward. It is important that this potential be realized as widely and as immediately as is possible.

Further, if we look at the matter from a slightly different angle, we note that co-operatives can play a role in each of the three phases which make up the conflict resolution process. These may be termed: "initiation," "practical peace making," and "towards conflict resolution;" and they parallel, in general terms, the previously mentioned move from enemy to neighbour, from neighbour to partner, and from partner to friend.

In the initial process of establishing contact with "the other," the role of co-operatives is readily apparent. It is here that their membership composition, which frequently includes both sides in a conflict situation, can be of major importance. Even if both sides of the conflict are not directly a part of the co-operative organizational frameworks, the range of contacts or the capacity for development is particularly great for them, as they are, after all, the world's largest and most wide-spread non-governmental organization. Their size and scope also insures they can reach out to the media and to the political and government frameworks so as to give weight to these initial contacts and to utilize them to bring about the initiation of a conflict resolution process

A shared concern for the social and economic aspects of conflict resolution, and for the necessary linkage of that process with sustainable human development, gives co-operatives a special relevance to the second stage, that of practical peace making. It is here the advantages of working together can begin to be discernable, in terms of

economic and social advance, to each of the sides of the now-ending conflict. Perhaps even more importantly, the conditions now exist which make it possible to translate this perception into concrete programmes, practical development projects, and initial joint undertakings. These, in turn, would not only be of direct relevance to the satisfaction of the needs of the populations involved, but would also serve as frameworks for building mutual knowledge, understanding, and confidence. They would also give significant sectors of the population direct stakes in economic activities, which are partnerships between yesterday's enemies. While governments and international agencies can build the frameworks and supply a supportive environment (including financial support where required and desirable) for such undertakings, their realization of this infrastructure will rest, in large measure, with civil society - of which co-operatives are so central a factor.

The relevance of co-operatives to the third stage of the peace process, which we have termed "towards conflict resolution," is also clear. Here they can, and indeed most probably will, move on into areas of concern beyond the boundaries of economics. Thus, they will be in the forefront of those seeking to link concern with social justice to the emergent peace process and in the promotion of employment-creating new enterprises, answering the needs of former combatants, as well as those of the population as a whole. They will also be involved in such issues as environmental preservation, and the expansion of skills training and education.

The experience of working together with counterparts from across the old conflict barriers will inevitably impact on previously held attitudes. It will lead to a greater understanding of the culture, the history, the needs, and the aspirations of "the other." It will create a framework in which it will be directly and immediately possible to perceive them and to accept them as fellow human beings. Clearly, all of these are directly relevant to the peace process.

In the area of developing joint economic enterprises as part of the conflict resolution process, it is clear there is a special role for co-operatives. This is true for a number of reasons. Co-operatives are prime examples of the direct involvement of significant numbers of individuals, operating on a small scale, in economic activity which

332

they can initiate even when they have relatively limited resources. They are examples of individual initiatives that function best on an autonomous basis, where the role of government is to create supportive conditions, but not to control or to overly intervene in their operation. They make it possible to form working partnerships between former enemies on a basis of equality, rather than the immediately attractive, but potentially dangerous, situation in which one of the former enemies is the source of capital and know-how, while the other supplies the (often not-too-highly paid) labour; a circumstance in which tensions in areas such as wages or working conditions can quickly take on overtones, which recall the previous conflict itself. As noted, co-operators share a set of values and principles, which draw them together across conflict-generated barriers, and often are linked through membership in regional or international co-operative frameworks.

In general, it is clear that co-operatives can make particularly important contributions to conflict resolution, in terms of each of the two perspectives which have been noted, that of the people-to-people peace process and that of the linkage between conflict resolution and sustainable human development. This potential draws strength from the commitment to peace, which has characterized the co-operative movement throughout its history. It is therefore important that co-operatives act locally, regionally, and globally, to maximize the realization of their singular potential contribution to the furtherance of peace in the world.

RAFI GOLDMAN

Palestine & Israel:
A Co-operative Approach to
Conflict Resolution

The issue of conflict resolution continues to receive serious academic attention and to generate interesting theoretical and empirical research. I want to approach the subject from the point of view of an active co-operative practitioner. Both my personal future and the future of my co-operative are intimately tied to the successful implementation of a process of conflict resolution. This obviously means that, in my case, the idea of "academic objectivity" is even less realistic than it may be in other circumstances. There is no question but that my personal experiences deeply inform any theoretical observations I can offer.

I want to suggest there are very important practical reasons to suppose co-operatives may be potentially powerful agents of conflict resolution. But first I would like to make a few observations about the peace process itself. Situations of serious conflict may arise on many levels. I want to relate to two kinds of conflict: conflict between nation states, and conflict within nation states which may be anchored in ethnic and/or religious diversity. Conflicts of the second variety may often have some characteristics of class struggle as well.

In both situations, the resolution of the conflict involves agreement among the adversaries, which is formalized in a formal peace treaty signed by all the parties. The process of negotiation, which leads to the final draft of the treaty document, is the "peace process" that is most usually reported in the media. But there are situations in which these government level processes are simply not enough to ensure successfully reaching an end to hostilities. What is needed is what I choose to call a people-to-people peace process. The creation of a community of interest in peaceful relations between significant populations from amongst the enemies may compliment efforts, and even encourage governments to reach formal agreements. If the conflict has deep historical roots, then the people-to-people process may be the only way to ensure any agreements reached actually lead to long-term peaceful relations and not a temporary cessation of armed hostilities.

These preliminary remarks lead to my suggestion that co-operatives may be potentially powerful agents of conflict resolution. This is particularly true in situations in which co-operative leaders have a clear vision of their co-operative identity, and understand their responsibility to manage the process of co-operative education among their membership base. A strong co-operative identity may predispose people to hold a number of beliefs that will promote their interest in, and willingness to act on behalf of, people to people peace processes that will affect their lives.

One of the most important of these beliefs is that current realities can be changed through co-operative endeavor. While this may seem obvious to an audience of co-operative researchers and practitioners, it is certainly not obvious to the public at large. The idea of TINA-there is no alternative – was coined by Margaret Thatcher in the context of macroeconomic and social policy. Her intention was to explain that there was no practical alternative to the neo-liberal capitalist regime she and her colleagues were successfully constructing in the late seventies and early eighties of the last century. Today, the idea is also applied to many national, ethnic, and religious conflicts all over the world. It is certainly the case in Israel and Palestine that significant parts of the populations of both countries understand the current conflict as an immutable fact of life. Co-operators tend to

believe current realities can be changed and they think they have some tools which may allow them to do so. The question is whether the co-operative toolbox can provide some aides to mitigate national conflict and encourage people to people peace processes.

The idea that there are always alternatives and ways to effect change is closely related to another co-operative belief: people can take charge and influence important processes that significantly affect their lives. Armed conflict, and its consequences, both in terms of individual lives and social upheaval, is a reality for tens of millions of people on a daily basis. For those people, there is nothing more significant than seeking a solution which will allow them to radically improve the quality of their lives. Co-operative endeavors may encourage individuals to actively participate in seeking ways to influence the process of conflict resolution, because that is the way to gain some measure of control over the conditions that shapes their lives.

Another co-operative belief is that networking with others is a useful and potentially rewarding experience, one which may serve both individual and community interests. The co-operative insight into the intimate relationship between the social needs and interests of individuals and communities is not always sufficiently appreciated, even among co-operative practitioners. The idea that the private individual and society are two sides of the same coin, and not discrete and ultimately antagonistic agents has significance in a world currently dominated by a hegemonic ideology which emphasizes, and indeed celebrates, the atomization of human experiences. All of this may be relevant in conflict situations. People who make connections between their individual experience, social and political realities, and processes, may seek ways to actively find solutions that serve their interests. Solutions that involve creating new human networks in order to jointly advance interests may not be foreign to committed co-operators.

These thoughts lead directly to yet another co-operative belief. Co-operatives encourage feelings of solidarity and sensitivity to issues of equity and equitable outcomes. Successful co-operatives actively promote individual and collective behavior in this direction. The resolution of any significant conflict requires the willingness to compromise and seek an equitable outcome, rather than absolute victory

for any particular position. This co-operative approach to social issues of all kinds is certainly relevant to attaining a reasonably just and practical solution to the conflict that characterizes the relations between Palestine and Israel.

The conflict between Israel and Palestine is an important test case of the ability of the co-operative movement to contribute to the pursuit of peace. The complexity of the conflict includes its long historical background, its multifaceted nature as ethnic/religious/national/class struggle, and its significance in geo-political terms. In addition, there are significant co-operative movements on both sides of the border. Any co-operative pretension to play a role in the pursuit of peace must engage with the realities of this conflict. In fact, that is what is currently happening.

The majority of the people on both sides of the Gaza- Israel border are farmers organized in agricultural co-operatives, which specialize in fruit and vegetable production, post-harvest processing, and export marketing. Similar ecologies and farming conditions allow for co-operation and joint business ventures exploiting the comparative advantages of all the project partners. Members of agricultural co-operatives represented by the Palestinian Peasants Union (PPU), the Gaza Vegetable Co-operative, and the Israeli Eshkol Agricultural Committee (EAC) together with NISPED are trying to co-operate in a joint business venture for the production and marketing of cherry tomatoes, strawberries, and sweet peppers under our new trademark, *Co-operative Produce for Peace*. The joint venture is designed to improve living standards through renewed and expanded economic activity, as well as creating the opportunity for a people to people peace process.

The implementation of this business venture requires frequent meetings and joint activities, including training and capacity building, thus creating an atmosphere of trust and mutual recognition — so important to conflict resolution. At the same time, the project will provide for improved business results, through implementation of the most advanced agro-techniques and quality assurance standards, as well as improved marketing possibilities under the *Co-operative Produce for Peace* trademark. Together, these activities create a community of interest that may contribute to increased employment,

economic growth, and mutually reinforcing relationships that are the basis of a sustainable peace process. Planning and execution of a joint business venture encourages people to recognize and exploit their mutual interests. The exploration and successful exploitation of shared interests and capacities will create an entirely new reality of co-operation and solidarity among people formerly in conflict. Mutually beneficial co-operative activities will promote a community of interest in secure peaceful relationships among the partners, and may encourage support for formal peaceful relations between the governments of the former enemies.

The obstacles to successful implementation of this plan are quite serious. At this time (May 2006), the new governments of Israel and Palestine have not yet demonstrated a willingness to engage in serious negotiations. Security conditions on the ground do not always promote confidence that the business partners on both sides of the border will indeed be able to continue to advance the production and marketing plan. But it is important to note that all of the co-operatives involved have expressed their commitment to continue the project. They believe they will be able to convince their respective security and other government bureaucracies to allow the joint business venture to develop.

It is exactly at this moment that the role of the international co-operative movement becomes critically important. Significant commitments of support on the part of various co-operative agents may influence the success of the programme. After business negotiations, consumer co-operatives should provide marketing channels for the produce in accordance with current market conditions. Co-operative federations in the relevant countries should encourage their members to support the plan, and help acquaint the wider public with the new trademark. The ICA should take an active role in coordinating these efforts. International co-operative support for the peace project will have an impact on the governments involved. This should improve the chances of successful implementation.

The development of the *Co-operative Produce for Peace* concept has significance beyond the case of Palestine and Israel. We need to re-emphasize the importance of co-operative training and education, in light of their potential contributions to conflict resolution. We

need to develop the mechanisms which will enable us to exploit our co-operative identity to encourage our members to play a role in people to people peace processes. We need to ensure the mobilization of international co-operative resources and co-operative agencies on behalf of practical efforts of conflict resolution. If we do so, we may be able to improve our co-operative contribution to the pursuit of peace.

WILLIAM CASPARY

Co-ops, Democracy, Conflict Resolution, & Peace: Theoretical Resources

This paper explores participatory, democratic theory and integrative conflict-resolution theory as theoretical resources for co-operatives and peace-building. It develops the following seven claims.

1. Democracy is a cornerstone both of co-operative governance and building of a peaceful civil society.

2. Of the many meanings of and forms of democracy, participatory democracy is closest to the spirit of co-operatives and peace-building

3. The theory of integrative, interest-based conflict-resolution (ICR) developed by peacemakers, is a major theoretical resource for co-operatives, peace-building, and participatory democracy.

4. ICR captures what is essential to a democratic process that seeks the public interest, rather than the victory of one faction over another.

5. Democratic theory is plagued by questions of legitimation that defy solutions. ICR, with its emphasis on mutual understand-

ing, creative problem-solving, and experimentation, does not answer these questions, but transforms the inquiry to pose new and more tractable questions.

6. The question for democratic theory becomes, "Can integrative solutions to major social conflicts and cleavages be found?"

7. The philosophical tenets implicit in ICR theory and practice are made explicit in the Pragmatist experimentalism of the philosopher John Dewey.

DEMOCRACY IS A CORNERSTONE BOTH OF CO-OPERATIVE GOVERNANCE AND OF BUILDING A PEACEFUL CIVIL SOCIETY

Co-operatives are, by definition, member owned and democratically, self-managed organizations. They provide a repository of experience with, skills for, and models of, democratic practice in small to mid-sized institutions. They are the building blocks of what could become a democratic economy on a society-wide scale. Some co-ops are models of a learning society, in which all members are encouraged throughout their lives to increase their knowledge and skill in cultural pursuits, as well as in workplace related fields.

The large-scale Mondragon co-operatives system forms a particularly impressive model of a learning community. These co-operatives were originated by graduates of a school that taught co-operative principles, along with general education, and practical skills of engineering and business. As the co-operatives expanded, the educational arm also grew into a college, a university with highly specialized curricula, and a post-graduate centre for research and innovation. For many years, advanced technical and managerial personnel were recruited and trained within the co-operatives.

Peace-building addresses "the practical implementation of peaceful social change through socioeconomic reconstruction and development" (Galtung, 1975:282-304). That said, not just any socioeconomic development is considered adequate for peace-building. Even within conventional thinking on peace-building, there is a concern with social justice, democracy, civil rights, and liberties, and a healthy civil society autonomous from government. (This reflects the tendency of peace theory to be written by thinkers from industrial,

342

capitalist, democratic nations, and by third world thinkers influenced by them.) These are considered to be instrumental to future peace and to be values in themselves. Conventional thinkers take these values to be compatible with prevailing forms of liberal individualist democracy, and neo-liberal market economy. More progressive or transformative views of peace-building stress these same values, but question whether they can be fulfilled within prevailing liberal, institutional structures. Transformative thought on peace-building emphasizes "positive peace," which is a reduction of direct and indirect violence due to structures of inequality, domination, and oppression, which occur even within liberal democratic societies. Thus, transformative thinkers emphasize equality, respect for diversity, and widespread citizen participation in political decision-making – as a means to equality and respect and as ends in themselves. The theory and practice of integrative interest-based conflict-resolution and mediation (ICR), has been integral to peacemaking and peace-building.

Co-operatives have much to offer peace-building. Their experience with democratic practices in small institutions can serve in the development of democratic civil society. Co-operatives can be incorporated directly as units of economic reconstruction, providing a form of enterprise that powerfully motivates the productive energies of its members, while also instantiating equality and social justice. Co-operatives can suggest the larger, bolder conception of a democratic economy as a goal for peace-building. Co-operatives, as cultures of learning and experimentation, also have much to offer to the development of a vibrant civil society.

ICR has a great deal to offer to co-operatives. Conflict resolution personnel, training methods, skills, theories, and research have taken major strides in their development in the past half-century. Do co-operatives need these resources? Conflict is intrinsic to any human organization, and co-operatives are no exception. Conflict is due both to differences in interests among members and differences in interpretation of the needs of the organization. Traditional and authoritarian organizations minimize overt conflict through adjudicating differences, either by dictates of custom or fiat from a leader, and enforcing these decisions. In democratic organizations, including co-operatives, where each member is empowered to voice views

and claims, overt conflict is bound to appear. All successful co-operatives have managed to develop ways of engaging conflicted issues – whether conscious and explicit or implicit, whether by informal consultation, inertia, formal majority vote, consensus decision-making schemes, managerial edict, or some other mechanism. Some co-operatives have deliberately incorporated systematic structures of integrative conflict-resolution and mediation.

OF THE MANY MEANINGS OF AND FORMS OF DEMOCRACY, PARTICIPATORY DEMOCRACY IS CLOSEST TO THE SPIRIT OF CO-OPERATIVES AND TRANSFORMATIVE PEACE-BUILDING

Liberal individualist democracy reduces in practice to a competition among elites. Citizens become a passive audience for advertising and public relations professionals who, in the service of elites, package candidates, fabricate images, exploit fears, and spin the interpretation of policies and events. Some theorists insist that complexity – the complexity of modern technological economies, large-scale, interdependent national societies, and labyrinthine bureaucracies – makes citizen participation impossible, and requires government by experts.

In contrast to liberal individualist democracy, participatory democrats insist that social justice cannot be achieved without extensive empowered participation. They are confident that problems of complexity and expertise can be overcome by artful institutional designs. In general, participatory democracy emphasizes social conflict and contestation, as well as deliberation and consensus formation. This is a more embracing conception than several other kindred views, such as "deliberative democracy" and "communitarianism," which also dissent from liberal individualist democracy. Deliberative democracy focuses narrowly on rational argumentation (often from an explicitly Kantian conception of reason), and communitarianism emphasizes social homogeneity and consensus. Participatory democracy has many roots, in both northern and southern hemisphere cultures. It springs from the Euro-American thought of Rousseau, Dewey and others, from the Gandhian movement in India (Sheth, 2005), from the dialogical ideas of Paulo Freire in Latin America

(1970), and many other roots. As there is no definitive account of this strand of democratic thought, the following brief characterization draws from many sources.

1. Participatory democrats insist that social movements are necessary to articulate the interests of marginalized citizen groups. Movements provide a medium in which constituents articulate their experience and formulate their interests; they provide, in Mansbridge's terms, "deliberative enclaves of resistance" (1996:47, 57-59). Social movements also mobilize "people power" on behalf of these interests, reshaping the public agenda and influencing policy outcomes (Green). In other words, a healthy democracy involves political contestation – political struggle by the many weak against the few powerful – a struggle in which sheer numbers and the skill at mobilizing them begins to redress the severe power asymmetries in capitalist democracies. Restricting democratic participation to adversarial struggle, however, is better at creating negative power to prevent certain decisions than creative and collaborative positive power to bring about beneficial change.

2. Contestation is seen, therefore, as a means to, and in tandem with, "getting a seat at the table" for deliberation. (A key finding of some recent research on participatory democracy is the difficulty that adversarial organizations, especially at the national level, have in switching from an adversarial to a collaborative mode. One of the contributions ICR can make to participatory democracy is by providing the rationale and the skills for making that transition [Fung and Wright 2003:283].) An essential part of participatory democracy (and deliberative and communitarian democracy as well) is, therefore, designing and creating deliberative forums in which citizens form judgments on values, policies, and institutions. But if deliberative forums have no resources or authority to implement the judgments that they reach, the goal of empowered participation that achieves social justice will not be met. Participants are condemned to act from without, by petitioning and pressuring an elite dominated government for what are inevitably modest (and often easily reversed) gains.

3. Thus participatory democrats also insist that ordinary citizens, their social movements, and their deliberative structures be given a foothold in government.

4. To deal with the size, complexity, and expertise problem, participatory democrats have developed formats and trained facilitators for participatory research, participatory planning, public issues forums, common ground dialogues, citizen juries, consensus commissions, and so on. These formats and facilitators provide textual, oral, and graphic means for conveying issues, formulating options, and introducing technical ideas in laypeople's terms (National Coalition for Dialogue and Deliberation; Fung and Wright, Santos).

5. Furthermore, it is understood that policy decisions are a matter of discovering the goals, not simply making expert decisions on means. This heightens the relevance of citizen participation and reduces the emphasis on expertise. Deliberative formats and trained facilitators have been developed to foster the mutual understanding of individual interests and the synthesis, or transformation, of these into a vision of general or public interest.

6. To allow public forums of manageable size, it is a key thesis of participatory democracy that decision-making must be decentralized, wherever possible (principle of "subsidiarity"). When policies have to be integrated over larger geographical units, local decision-making bodies can still operate, and then send their instructed delegates to regional bodies.

7. Since the policy-implementation phase is as vital in determining outcomes as the policy-choice phase, participation in and oversight of implementation is considered essential to full democracy. Structures for this purpose are part of the design of participatory democratic systems.

8. In keeping with the Toquevillean strand of democratic theory, participatory democrats also insist on democratic practices in the institutions of civil society and the economy. In more thoroughgoing versions of participatory democracy, this insistence on empowered participation embraces traditionally hierarchical institutions, such as, health clinics, religious congregations,

346

schools, and workplaces (Dewey 1937:225). Thus, the associations of civil society instantiate the democratic way of life, and become training grounds for skilled democratic participation in public arenas. Participatory democrats see democracy as both a means and an end.

9. It is a means to assuring that the needs of every group and individual are represented and have an influence on policy. It is the only guarantee against some groups and individuals being marginalized, denied opportunity, dominated, and exploited.

10. It is also an end, in that public participation is itself a positive experience. Part of being fully human is interacting productively with others, and expressing and discovering one's capacities and identity as both citizen and individual. Participation is also a powerful stimulus to personal development – to devoting oneself to the further pursuit of knowledge, skill, and insight.

There have been brilliant, but brief, flare-ups of mass political participation during revolutionary uprisings, such as the Paris Commune, the Turin factory occupations, the Paris student uprising of 1968, and the People's Power uprising in the Philippines. Though celebrated by some democratic theorists, these episodes are too ephemeral to inform the design for, and the hope for, sustainable participatory democracy. Until recently, the largest and most often referred to participatory democratic experiment was the Mondragon Co-operatives – in the economic, not the political sphere (Whyte and Whyte 1991). Robert Putnam has also drawn attention to the network of co-operatives in Emilia Romagna, a province of Italy, and their fostering by a sympathetic provincial government (1993).

More recently, two large scale participatory budgeting structures have been developed, tested, and institutionalized in the large city of Porto Alegre in southern Brazil, and the southern Indian state of Kerala – two societies widely different in culture, history, and geography. These two cases are of sufficient magnitude, success, and creative design to persuade some skeptics that participatory democracy is a living reality, not simply a theorist's dream.

These two cases have become the centrepiece of two books, reporting on major research programmes. The two have independently set the ambitious goal of synthesizing practice and theory to establish a

new model of participatory democracy adequate to the challenges of peace and social justice in a 21st century world of vast inequalities, civil wars, and relentless neo-liberal globalization. One approach, originating in the United States, developed through a conference at the University of Wisconsin, is designated by the new coinage "Empowered Participatory Governance" (Fung and Wright 2003). It is part of a larger "Real Utopias" project, which includes already published volumes, *Associations and Democracy*, and *Recasting Egalitarianism* (Cohen and Rogers 1995; Bowles and Gintis 1998). The other is produced largely by scholars from "semi-peripheral" or newly developing countries, and designates its approach in terms of the long-standing idea of "participatory democracy" (Santos, ed. 2005). It is part of an ambitious long-term project, which will produce future volumes on alternative production systems, labour internationalism, and other topics (*Another Production is Possible: Beyond the Capitalist Canon*, Santos ed. forthcoming). These efforts are of immense importance for reshaping the debate about democracy – hence for our conception of co-operatives and peace-building. In both projects there is an attempt to learn directly from what has worked in practice, to synthesize this into theory that can guide future practice, to raise critical questions these theories and practices must address, and to initiate fruitful exchange with existing democratic theory.

One of the key findings of both studies is that neither social movements nor political parties by themselves are sufficient for participatory democracy. Participatory budgeting in Porto Alegre and in Kerala happened when social movements influenced change-oriented political parties, but remained autonomous from those parties. (In South Africa a tradition of participatory democracy was undermined when movement activists moved into political party roles in the post-apartheid government, and was absorbed into a hierarchical and bureaucratic formation [Meer 2005]). Another series of findings concerns the design principles for participatory settings and institutions. In keeping with the theme of this paper, in both these books the authors recognize participatory democracy is a key to social justice and human fulfillment – that is, to transformational peace-building.

348

Both research projects recognize that economic democracy – hence co-operatives – is essential to political democracy.[1]

Neither of the two research programmes, however, recognizes the theoretical and practical significance of ICR for participatory democracy. One key goal of this article is to make good that omission.

THE THEORY OF INTEGRATIVE, INTEREST-BASED CONFLICT-RESOLUTION (ICR) DEVELOPED BY PEACEMAKERS, IS A MAJOR THEORETICAL RESOURCE FOR CO-OPERATIVES, PEACE-BUILDING, AND PARTICIPATORY DEMOCRACY

ICR is defined by:

1. Joint creative problem-solving is a key feature to discover or invent novel options which meet the broad interests – if not the narrow positions – of all stakeholders in the conflict. This joint problem-solving activity requires a prior experience.

2. Dialogue and listening, in which each party achieves understanding of the interests of the other, plays a central role in the process. This may proceed through listening to personal narratives through which the needs, viewpoints, cultural backgrounds, and life histories of the other stakeholders come to be understood.

3. It must be emphasized that ICR is "interest-based" (Fisher and Ury). That is, the creative resolution of the conflict involves providing for the (broader) interests of all the stakeholders – transforming a win-lose conflict into a win-win situation. Thus ICR does not require altruism, idealism, self-sacrifice, or putting the community over the individual. It does not require that participants give up their interests, only that participants be open to articulating and understanding their own interests in fuller fresher ways. Because it is interest-based, not altruistic, ICR can be called hard-headed and practical.

4. Though not considered definitional, a notable feature of ICR is that the practice itself is a social invention, and it encourages further social inventions to provide integrative solutions

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1 This connection is developed in the additional volumes mentioned above. There is a great store of practical and theoretical wisdom in these volumes that can't be explored here.

to particular conflicts. To mention social invention is no trivial matter, since much political theory is devoted to the reasons for choosing among prespecified options, oblivious of the possibility and urgency of creating new ones.

5. Thus, IRC's emphasis is prospective and creative – new departures in the future. This can be contrasted with law, at least law naively understood as adjudicating among the existing options on the basis of previously established legislation or constitutional provisions.

ICR CAPTURES WHAT IS ESSENTIAL TO A DEMOCRATIC PROCESS THAT SEEKS THE PUBLIC INTEREST, RATHER THAN THE VICTORY OF ONE FACTION OVER ANOTHER

Democracy, except in its liberal individualist variant, is understood as a mechanism for the discovery of the public interest. (Or more precisely, it is a mechanism for the discovery of public interest*s* with regard to different sectors, functions, and issues in society.) Mansbridge points to an inevitable tension between the public interest and individual interests, a problem that democratic theorists have not adequately addressed (2003:187-192). This is, indeed, one of the long-standing, central, and perplexing problems of political theory. It is the first major thesis of this paper that ICR provides the answer to that problem!

Suppose we consider public deliberation as an exercise of ICR among many stakeholders with varying individual and group interests. The ICR process would identify the broader interests of each stakeholder, as opposed to their narrow positions. Joint creative problem-solving would lead to innovative solutions, which fulfill in some fashion the interests of all parties. This would be, by definition, the common interest, hence the public interest. The public interest would not then be understood in terms of a public-individual dichotomy. It would not be understood as diametrically opposed to the private interests of individual citizens. Rather, the common interest would be in the health of the community, understood as a medium that fosters the flourishing of its individual members. (In

a participatory democracy, that would be the flourishing of all of its members, not selected elites).

The win-win outcomes of ICR do not mean all conflict between private and public interest would be eliminated. A person may conclude taxes are needed to fund essential public services – say, for a mundane example, maintaining the roads on which she drives her car to work. At the same time, she may find the tax burden onerous. For this person, however, the conflict has been dramatically reconfigured. It is now internalized as a conflict between her long-term interest in road maintenance, and her short-term interest in spending the money she has now, in other words, not writing a cheque to the tax collector.

Though the problem has been drastically reconfigured as a conflict between two interests of the individual, the question remains, "Why we can expect her to resolve this conflict in favor of the larger conception of her interests?" There are at least two reasons which flow from the ICR process. First, although there is evidence that people tend to weigh short-term interests more heavily, the deliberation process involved in ICR helps her to bring long-run considerations to the forefront of awareness, and to recognize their weightiness. Second, though in a representative and bureaucratic democracy, she may tend to take for granted the public provision of roads and other services and not recognize any need to pay for them, the result should be different in a participatory democracy. If she is engaged in the struggles and deliberations in which public policies are decided, she will see these as her own choices and, therefore, as her commitments!

The analysis, so far, implicitly takes the interests of individuals to be personal, but not interpersonal – staying within the assumptions of liberal-democratic theory. Even on this limited basis, it permits a reconfiguration of the supposed public interest versus private interest problem. But humans are social animals and our values, identities, and associated interests are forged in our relations to others in communities.

1. Insofar as, we identify with the community, its overall development is a source of satisfaction to us as individuals, whether we benefit directly or not.

2. Insofar as, we feel a sense of justice, raising up the poor and oppressed provides us a satisfaction, even if we don't benefit from it materially. Our human impulse to care for others is satisfied by the cultural, as well as material, flourishing of all members of the society.

3. Furthermore, the process of ICR (or deliberation, in general) generates feelings of loyalty toward other participants individually and to them collectively as one's community. For them to thrive is satisfying to oneself. John Dewey writes: "Different people are going to have different ideals and beliefs but ... we have enough common work, common responsibility, and common interest and sympathy so that in spite of these other distinctions we can go on working together" (MW15:154).

To sum up, the public interest can fruitfully be understood as an integrative solution to the (often conflicting) interests of the citizens. Thus, the principle of ICR is identical with the principle of democracy. ICR is much more than a mechanism, an ancillary tool supplementing courts and legislatures; it encompasses a process that reflects the heart and soul of democracy. The key phases of dialogue and joint creative problem-solving in ICR capture the spirit of the democratic life and offer a fresh perspective on the essential, deliberative, and policy-development features of democratic governance.

Concretely, this implies, for both peace-building and co-operatives, a systematic effort to promote widespread empowered deliberative forums. The forums would be guided by formats and facilitators toward mutual understanding, the discovery of common ground, and creative joint problem-solving. In many instances, these forums would be vested with resources to allocate to the projects jointly developed and decided upon.

DEMOCRATIC THEORY IS PLAGUED BY QUESTIONS OF LEGITIMATION THAT DEFY SOLUTION. ICR, WITH ITS EMPHASIS ON MUTUAL UNDERSTANDING, CREATIVE PROBLEM-SOLVING, AND EXPERIMENTATION DOES NOT ANSWER THESE QUESTIONS, BUT TRANSFORMS THE INQUIRY TO POSE NEW AND MORE TRACTABLE ONES

Modern political theory – since the waning of the divine right of kings – has been preoccupied with the legitimacy of government. Democracy makes its modern appearance as popular sovereignty – the legitimation of the state through a social contract with the citizens. The preoccupation was, and remains today, exactly what sort of mechanism of consent confers upon the state the right to impose its laws on citizens. This, in turn, raises meta-ethical questions about what a "right" is, and from whence its obligatory nature is derived. No theorist has succeeded in solving these problems. Even giants like John Rawls and Jurgen Habermas, whose work has preoccupied a whole generation of political thinkers, have been met by potent criticisms, been forced to revise their theories, and still have failed to deliver clinching arguments. (When we seek to evaluate legitimacy by a fixed, external ethical standard, controversial ethical theories are engaged. When we seek foundations for these theories, we encounter the devastating 20th century philosophical attack on foundationalism. In the absence of philosophical foundations, theorists have turned to procedural standards, only to face infinite regress. They find themselves forced to specify procedures in order to justify the procedures that they first proposed, then to procedurally justify the secondary procedures, and so on without limit.)

It is the second major thesis of this paper that approaching democratic theory through ICR transforms these questions that democratic theory has asked, removing us from the blind alleys of legitimation and meta-ethical arguments. Note, in a typical mediated dispute-resolution: a) the procedures of conflict-resolution and mediation are entered into voluntarily, and b) outcomes are nonbinding and are accepted only because they are mutually satisfactory.

The procedure does not have to be conclusively justified before one enters it. The legitimacy problem is simply not raised! Parties choose

ICR, and its outcomes, in the spirit of hypotheses. They predict, on the basis of its previous record, that the procedures and outcomes will provide satisfactory solutions. If the hypothesis is repeatedly confirmed, ICR will gain increasing favor. But as long as ICR is not compulsory, we do not return to the legitimation question.

Let us consider, as an ideal type, the public process of contestation and deliberation in a whole community or society is conducted along the principles of ICR (participation of all stakeholders, dialogue and mutual understanding, creative problem-solving, win-win solutions, solution itself as a hypothesis subject to confirmation in experience). Then the public interest, so determined, would be a voluntary one. If upon implementation, the policies decided upon did not prove to be the expected integrative solution, further dialogue and creative problem solving would lead to improvements or new departures. ICR, itself, would be creatively modified, developed, and refined until it reliably produced mutually satisfactory outcomes.

This is an ideal-type argument. In practice, there will always be dissenting minorities, and state decisions will, at times, be imposed on them. Minorities, therefore, must always have recourse to means of contesting such decisions. Thus, the second pole of democratic life – rights, as well as participation – must be there to protect them. But the goal will remain, to increasingly develop policies and social structures that maximize the flourishing of all and that maximize satisfaction of the interests of all through creative social designs. From a participatory democracy viewpoint, the question will become whether such integrative designs are possible. If so, citizens will increasingly give their commitment and allegiance voluntarily. If not, groups of citizens will become disaffected from the system (as revealed in social symptoms of violence, self-destruction, emigration, and secession). This is an experimental question of the inclusiveness and effectiveness of conflict-resolution, and of the policies and institutions that issue from it. It remains an empirical question, not a normative legitimation issue.

THE QUESTION FOR DEMOCRATIC THEORY BECOMES, "CAN INTEGRATIVE SOLUTIONS TO MAJOR SOCIAL CONFLICTS AND CLEAVAGES BE FOUND?"[2]

Will the practice of ICR on a society-wide basis, as it evolves, reliably produce creative solutions that fulfill the interests of nearly all citizens? Although this question can only be answered by a long course of creative experimentation with unpredictable outcomes, we can anticipate the results speculatively by imagining integrative solutions to major social conflicts and cleavages.[3]

First, conflicts over scarce resources are a ubiquitous feature of social life. There are society-wide distributional conflicts over sharing the burden of taxation, defining property rights, and determining access to basic services from transportation to medical care. Much political philosophy assumes a fixed "pie" to be distributed, and is devoted to ascertaining principles of fair distribution (or fair procedures for choosing those principles). ICR changes the question. Rather than dividing a fixed pie, it typically seeks a win-win solution by increasing the stock of goods. Dewey advocates "providing the objective political, economic, and social conditions which will enable the greatest possible number because of their own endeavors to have a full and generous share in the values [both material and cultural] of living" (1932:251-252). He proposes inquiry to find forms of economic organization, not marred by exploitation and waste, which fully utilize available productive resources and create new ones (as discussed in sections 3 and 5).

Today's conflict-resolution theorist-practitioners have written extensively on distributional conflicts among groups. However difficult they seem, these conflicts over material resources are, in practice, easier to resolve than conflicts over rights or ideology (Ury, Brett and Goldberg 1988; Susskind and Cruikshank 1987). The parties have a stake in resolution, to avoid greater losses from ongoing conflict and stalemate. Technological or organizational means of expanding pro-

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2 The following section is adapted and revised from this author's book, Dewey on Democracy (2000).

3 John Dewey asks this question in its strongest form, not just for small homogeneous communities, but also for the "great society" with its diverse groups, complex interdependence, and mediated communication (1927b).

ductivity may provide gains that can be divided between the parties. Enlarging the agenda opens new possibilities for resolution. Several resources may be included that are differently valued by the two parties, allowing for trade-offs (Susskind and Cruikshank 1987:180). When carrying out business requires a continuing relationship between the parties, maintaining the quality of the interaction may be counted as a good. Third parties can be included who have other resources to trade, and a stake in keeping the peace. Third parties can invest in developing more of the goods that are in conflict. They can make side payments to compensate one side for losses incurred in a solution that benefits the others.

In extreme cases of, say, environmental conflict, the only possible resolution of a distributional conflict involves the demise of a business firm, an occupation, or a whole way of life. This can lead to violent clashes, as in struggles over old growth forests. But such transitions may be inevitable, due to resource depletion or changing technology. Government agencies may arrange for transitions to new occupations and ways of life, by providing information, capital, and job retraining. Creative inquiry can suggest new occupations and enterprises that do not disperse the existing community, and which make use of its capabilities and express its values. An example is retraining loggers for watershed reclamation projects. In Sweden, "by socializing the risk" of displacing workers, the "active manpower policy" of the government removes a major obstacle to phasing out declining and/or environmentally destructive industry (Esping-Anderson 1985:229-230).

Second, an evident source of social conflict in today's world, is antagonism over group identity. Identity politics becomes a zero-sum game, in which recognition must be wrested from another (Connolly 1991). For Dewey, this situation is a response to particular conditions, not a timeless feature of individuality or society. In a world of insecurity, where commodities are unequally distributed, recognition, too, becomes a scarce resource. Respect goes to economic elites and is withheld from other groups, which then fight against one another for recognition. The search for group identity and the claims for group pride become essentialist and exclusive. Thus, the "quest for certainty" in response to insecurity, which Dewey identifies in

epistemology and ethics, is played out in the domain of identity. Conversely, when there is sufficient economic security, opportunity, respect, and challenge, identity becomes both more secure and more flexible. Human identity must be recognized as processual, not static, as responding to context, and as growing and changing in fostering environments. As one ventures into new realms of occupation, social encounter, and academic study, and receives recognition for one's efforts, one's selfhood is augmented and redirected. Dewey identifies recognition as a requirement for human identity-formation (LW5:239; 1927a:22). Recognition of one's identity by others increases one's capacity to provide recognition to others. Diversity becomes a resource, with each group enriched by learning from the others. What had been a win-lose conflict is transformed into a cooperative encounter (Burton 1987). This mutuality is central to what Dewey understands as the democratic way of life (1939a:228; 1932:350; 1939c:127,162).

Third, conflicts over morality often seem irreconcilable. Not only are tenets diametrically opposed, but also what counts as reasons for the two sides may implicate incommensurable paradigms. Consider today's struggle between the religious right wing and the mainstream. There appears to be no ground for dialogue between biblical literalists who seek a theocracy, and scientific empiricists who uphold separation of church and state. The ideas of the former would not be considered "reasonable comprehensive doctrines" by Rawls, and would be excluded from the democratic conversation according to his theory (Rawls 1993: *xvii,* 64n). Though dialogue for its own sake is unlikely between members of the religious right and the mainstream, the exigencies of practice may bring it about. When religious conservatives enter into public life, they often find themselves in the minority – in meetings of school boards, church governing bodies, Republican Party committees, state legislatures, and Congress. They experience cross pressures. They face choices between participation and coalition-building, or doctrinal purity and ineffectiveness. Many will certainly choose the latter course, but by no means all. Whether their mainstream counterparts dialogue with them respectfully, or demonize or treat them contemptuously, will have some effect on their choices in the long run (Carter 1993). Once they choose par-

ticipation, common ground can be found with them on concrete issues that are also problematic for their less conservative counterparts – lack of safety and civility in schools, violence in entertainment, unemployment, teenage pregnancy, and so on.

Given these areas of common interest, there are mechanisms in ICR (and Dewey's theory as well) that enable mutually satisfactory solutions. First, there is never only one value at stake, so trade-offs are inevitable. Second, moving from ethical "fixed ends" to broader ethical interests opens unsuspected potential for mutuality. Third, creative inquiry expands the possibilities for moral understanding and action.[4] It can be added that some bitter moral conflicts may possibly be proxies for underlying issues and insecurities – arising from rapid destabilizing social change, economic insecurity, political disempowerment, and the like. Efforts to build a just society may indirectly mitigate these seemingly autonomous, intractable, bedrock moral conflicts.

Fourth, questions of rights have also pitted one group against another. Rights are taken to be absolutes, not subject to conflict-resolution. And the abstract issue of rights – their nature, grounding, and substance – has bedeviled political and ethical theory. This conflict, too, seems like a zero-sum game. Some conflict-resolution theorists argue that rights conflicts can be reconfigured as interest conflicts, which then become amenable to settlement (Ury, Brett and Goldberg 1988; Walzer from the viewpoint of political theory, makes a similar argument [1996]). Dewey sees present society pitting groups against each other, but he envisages a democratic community in which defending the rights of any group enhances the rights and fulfillments of all. Dewey stresses resolving each particular rights conflict in its context, arguing that universalistic abstract determinations will not succeed. His approach alerts us to the intermingling of distributional issues and identity issues in questions of rights. It highlights the interaction of political struggle with ethical discourse, and the tension between particularity and universality.[5]

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4 The common ground process applied to the conflict over legal abortion has been used, in *Dewey on Democracy,* to illustrate this approach (ch. 5, 6).
5 Rights conflicts are considered further in *Dewey on Democracy* (Chapter 5).

Fifth, the clash of interests between management and labour is a persistent feature of capitalist society (Dewey 1932:325-327), however, several bases can be identified for finding common interests despite this cleavage. Hierarchical management suppresses motivation and creativity in workers. The increased productivity resulting from collaborative labour-management relations could be distributed to benefit all (Ury, Brett and Goldberg 1988). Walton, et al. give examples of "integrative bargaining" in recent contract negotiations, while also reporting cases where management found it to its advantage in the current economic environment to bargain adversarially (1994:308-313). Transformational peace builders and democratic economy advocates, however, imagine a transformed socioeconomic system, in which most firms are co-operatives. This would, of course, involve the gradual disappearance of a separate managerial class and its elite status. Thus, the general question of the conflict of interests between elites and masses must be considered.

Sixth, many thinkers have pointed out that elite status, despite its abundant privileges, is not an unmixed blessing. Thus, Rousseau writes that he who thinks himself a master is enslaved to his servant, and Hegel's parable of lordship and bondage stresses that the lord can never become fully human within that hierarchical relationship. Marx adds that the bourgeois suffers the selfsame alienation as the proletarian, although because of his privileges he will not become conscious of it. Martin Luther King Jr. and others have said that none of us can be fully free until all are free.

More concretely, in an interdependent society elites cannot completely insulate themselves from the misfortunes of the least well off. The problems of the poor and excluded - epidemic diseases, drugs, violent crime, and deterioration of urban centres - threaten the quality of life for all. The spontaneous violence of the oppressed, and increasingly their organized violent response, also undermines the security of everyone - as the World Trade Center destruction brought home so vividly to Americans. And the draconian policies used to fight these ills undermine the liberties of all. Thus, it can be proposed to elites that they, too, have an interest in policies that reduce inequality and discrimination, even at the price of higher taxes and loss of dominance.

It is now a familiar proposition that the patriarchal system which privileges men also traps men in confining and oppressive roles. More generally, though often unrecognized, the intellectual and cultural development of elites, generally, is distorted by the isolated and defensive position required to maintain their status (H. Putnam 1992:189). Dewey writes, "All special privilege narrows the outlook of those who possess it. ... induces a standpat and reactionary attitude ...Intellectual blindness... distorted ideas and ideals" (1932:347-348).[6] Dewey also points out that culturally, "our enjoyment of ends is luxurious and corrupting for [elites]; brutal, trivial, harsh for others" (1929:205). "Those who are not only much better off in worldly goods, but who are in excessive, if not monopolistic, control of the activities of the many are shut off from equality and generality of social intercourse. They are stimulated to pursuits of indulgence and display" (1915, p. 317).

That elites, as well as the less advantaged, suffer from class division - so that a basis for common interest exists - does not mean this is easily made conscious, much less enthusiastically embraced. As with the struggle for minority rights and women's rights, some elites of the present generation may never yield their status or recognize the price they pay by clinging to it. But future generations may see possibilities that compensate for not assuming their parents" class privilege. There are grounds, then, for committing oneself to long-term political struggle, social inquiry, education, and conflict-resolution on behalf of articulating, advocating, and eventually realizing, this potential for an integrative solution through achieving a more egalitarian society.

To sum up, Dewey, other philosophers, and today's conflict-resolution thinkers, identify bases for resolution of conflicts along each of these major cleavages in today's society. They emphasize, however, that actual resolution can only come from the creative process of ICR, and the experimentation that is initiated by the resulting integrative solutions.

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6 Memmi also makes a powerful argument to this effect (1965).

THE PHILOSOPHICAL TENETS IMPLICIT IN ICR THEORY AND PRACTICE ARE MADE EXPLICIT IN THE PRAGMATIST EXPERIMENTALISM OF THE PHILOSOPHER, JOHN DEWEY

A number of philosophical tenets are implicit in ICR, and in the account of participatory democracy that flows from it. These tenets turn out to be at odds with much of mainstream Kantian, analytic, and positivist philosophy.

1. The dialogical phase of ICR suggests that understanding and knowing are matters of meaning, not only of truths.

2. The creative problem-solving phase of ICR suggests that knowing and forming judgments can be understood as much in terms of discovery as of validation.

3. The testing in practice of ICR outcomes suggests the validation of judgments is a prospective matter of consequences, not merely a retrospective matter of proper formation.

4. The entire enterprise of ICR is itself creative and experimental. Theory is synthesized out of practice and exists to serve the further development of practice.

5. ICR is non-foundational. It is valued because it is experienced as solving important human problems and opening pathways to human well-being and flourishing. People do not enter into ICR, or become trained practitioners of it, because its methods and results carry an a priori guarantee.

6. ICR – through its integrative solutions to thorny conflicts of interest and principle among individuals and groups – is a powerful instrument for generating conceptions of the human good (and testing these in their implementation). The question of the human good – the meaning of justice, well-being, development, flourishing, fulfillment – is seen, therefore, as something discovered as experience unfolds, not something that can be known independent of experience by reason, dialectic, intuition, authority, revelation, or any other means.

7. Participatory democratic politics, insofar as its core qualities are represented by ICR, is an organized societal process of searching for the good. Political theory is thus understood in the clas-

    sical Greek sense of the search for the good life, made possible
    in, and only in, the good society.

These philosophical tenets have a striking resemblance to the Pragmatist approach of Peirce, James, and Dewey – especially Dewey. This is not surprising, as the Pragmatist approach was born from the effort to link philosophy to human action, and to escape from the futile search for philosophical foundations. Furthermore, Dewey, in particular, was centrally concerned with participatory democracy and conflict-resolution – and anticipated or directly influenced today's ideas of these approaches (Caspary 2000, Introduction, ch. 1). Dewey's conceptions of ethical philosophy, and philosophy of knowledge and science, were developed in close conjunction with his democratic theory.

    Dewey, in the democratic theory debates of his own time, confronted the size, complexity, expertise problem, and he offered answers very like those developed by participatory democrats today (1927b). His account of the interdependence of experts and citizens is very close to that worked out in the participatory budgeting institutions of Kerala and Porto Alegre (1927b). The development and diffusion of knowledge to create "social intelligence" was seen as essential for the mastery of complexity (1927b; 1939c). Therefore, Dewey saw participatory democracy as requiring a learning society (1915, 1927b). He saw economic democracy as essential to political democracy (1939b). What Dewey also provides, at a more general level, is a philosophical account of knowledge and ethics without foundations, which provides crucial support for those who would move away from a mainstream democratic theory that is preoccupied with the conundrums of epistemology and meta-ethics (Caspary 2000). Thus, when co-operators, peace builders, participatory democrats, and conflict-resolvers turn from immediate issues of social design, and begin to search for philosophical frameworks in which to fit their more partial experience-near theories, Deweyan pragmatism seems a most appropriate and fruitful choice.

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CONCLUSION

YEHUDAH PAZ

Closing Thoughts

The relevance of the co-operative movement to the process of conflict resolution is now greater than it has been in the past, not only because of the nature of the co-operative movement, but also because of the changing nature of the process of conflict resolution.

There are two new perspectives on conflict resolution that give co-operatives a special significance in this process. The first new perspective is this: peace is made by governments, peace is made by international agencies, peace is made by political parties — and this is absolutely a political process. But the truth of the matter - as is now widely recognized – is that this political peace process can only succeed when it rests on the base of a people-to-people peacemaking processes. It is the people-to-people peacemaking process – the interlock between people, the deepening of mutual understanding, the deepening of mutual confidence, the creation of common endeavours – that sets the base on which the political peace process can effectively take place. To use a metaphor, it is the basso continuo – the bass in music – on which the political melody, which goes up

and down, is played. It is in the building of a people-to-people peace process, parallel to the political peace process, that the direct and significant involvement of co-operatives – and if I may add, the task which falls upon co-operatives - is immediately perceivable.

The second new perspective is also a very important one. It is this: every situation of real conflict resolution opens a window of opportunity for development. If that window of opportunity for development is not seized, if development is not an integral part of conflict resolution, then you not only lose the development, you probably lose the peace as well. Sustainable human development is not a luxury, which can be placed alongside conflict resolution – it is an essential part of conflict resolution. If conflict resolution does not bring people a change in their standard of living, of education, of health, a change in the hopes they have for their children, then conflict resolution becomes hollow. And when it becomes hollow, the hatreds, which are usually very deep-seated and well rooted, bubble up to the surface again. And when that hatred and that doubt about the validity and the significance of peace is again in place, then the slope down to the renewal of violence is very slippery indeed, and the slide down into violence is very rapid. Putting sustainable human development into the conflict resolution process is not a whim or a luxury or even merely an ideological position, it is an essential necessity if the process of conflict resolution is to be successful. Now I need not tell you how critical an element co-operatives can be and co-operatives should be in the creation and furtherance of sustainable human development.

In my view, co-operatives should have a place at the table of conflict resolution not only because of their ideological commitment to peace, which is of course important, but because of their practical and immediate relevance to the way peace can be built – to the way conflict resolution can be moved forward.

If this is the case, and given the ideological position which the co-operative movement has long taken, then the imperative for co-operative involvement in peacemaking is clearly apparent. And further, the need to make the relevance and the importance of co-operatives clear to the minds of those conducting the processes of conflict resolution, to those attempting to move conflict resolution forward – the

need for us to make sure that that perception is part of their under-standing of how peace can best be built – is equally clear. This leads me to say that I think we have a tremendous responsibility here, a responsibility which we have to meet.

The issue of co-operatives and the pursuit of peace is on the agenda of the co-operative movement today. And, going one step further than that, it is on the agenda in terms of moving from commitment to action, from supporting peace to promoting peace. It isn't enough to love peace, you have to pursue peace actively, you have to move in the direction of making peace a reality. Co-operators need to actively pursue peace for two reasons. First of all, there is the significance of peace for the life of co-operatives. This goes back to the very begin-nings of our history. As we read in the articles by people from many places, we hear about the importance of peace for co-operatives all over the world. We also hear how co-operatives are directly relevant, or can be directly relevant, to the processes of conflict resolution. It isn't only that we have a commitment to peace; it is that we can actu-ally move peace forward. We can do this by tackling the basic issues out of which conflict arises: poverty, discrimination, and the lack of human rights.

We, the co-operatives, are relevant to conflict resolution through what we have called the people-to-people peace processes and through the linkage that exists between conflict resolution and sus-tainable human development. We are relevant to conflict prevention and to the attitudinal change, which is perhaps the most complete form of conflict resolution. In a word, conflict resolution is relevant to the life of co-operatives, and co-operatives are relevant to the pro-cess of conflict resolution. If this is the case, then it is indeed right and proper that co-operatives should take their legitimate place and should take up their legitimate burden of responsibility at the peace table.

Here once again we face the fact that co-operatives are an unknown quantity to much of the general public. The co-operative reality, its achievements, its potential are much greater than the perception of that reality and that potential on the world scene. Here is yet a fur-ther example of where and why it is a necessary for co-operatives to

take on this task, to meet this challenge, to realize this potential in terms of conflict resolution.

We have the responsibility of working together and of continuing to interact with others to carry the peace agenda forward.

About the Authors

BARBERINI, IVANO was elected as President of the International Co-operative Alliance (ICA) by the General Assembly in Seoul in 2001. Mr Barberini has been involved with the co-operative movement for over 40 years. From 1996 to 2002, he held the position of President of Legacoop, a multisectoral organization which represents over 10,000 co-operatives with more than 5 million members. He is also the President of Archivio Disarmo, a research centre for the study of disarmament, peace, and security on both national and international levels. Working with European and international movements, he has actively promoted co-operative values and principles, collaboration among co-operatives, as well he has been involved in solidarity actions for developing countries and emergency aid.

BATEMAN, MILFORD is Visiting Professor of Economics at the University of Juraj Dobrila Pula, Croatia and an active consultant on local economic development issues across South East Europe. He obtained his PhD in Economics from the University of Bradford, UK, in 1993 after submitting a thesis entitled *The Economics of Local Eco-*

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For nearly ten years he was based at the University of Wolverhampton, UK, latterly as Senior Research Fellow and Head of the Local Economic Development in Transition Economies Unit (LEDTEU). He has consulted for all the major international agencies, including the World Bank, EU, OECD, UNIDO, UNDP, the International Committee of the Red Cross (ICRC), as well as for the UK's bilateral aid arm, the Department for International Development (DFID).

BERTULFO, LOTA is currently an international development consultant providing technical advice and services to development institutions (government, private sector, and NGOs) on gender mainstreaming, project monitoring and evaluation, capacity-building, project design and management, and organizational assessment. She served as the Regional Co-ordinator of the Asian Women in Co-operative Development Forum (AWCF), an NGO which gained special advisory status to the United Nations on co-operatives and is committed to promoting gender equality and equity in and through co-operatives.

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CASPARY, WILLIAM is Associate Professor of Political Science, Washington University, St. Louis, and Visiting Scholar, Politics, New York University. He is the co-editor of GEO: *Grassroots Economic Organizing Newsletter*, a bi-monthly newsletter that reports on worker co-operatives and community-based economies in the U.S. and world wide, and follows their development through local co-operative action. GEO also provides a global forum for the co-operative movement. Dr Caspary's work is dedicated to making a better world through worker co-operatives, sustainable community enterprises, and grassroots economic organizing.

EMMANUEL, JOY is currently on staff at the BC Institute for Co-operative Studies (BCICS) as a senior researcher and project manag-

er. Her background is in Sociology and Adult Education. She taught part-time for many years at St Mary's University, Halifax, NS. With a strong interest in community animation, she has been doing community-oriented research since the early 1990s. She was a founding member of the Nova Scotia branch of the Canadian Centre for Policy Alternatives. In 1997, she founded Quantum Research and Consulting, which is dedicated to contributing to a more just and sustainable world. She has published both as a freelance writer and as a community researcher.

FERRO M S.J., FATHER ALFREDO   Director of the Justice and Peace programme of the Jesuits in Colombia. He is the Director of the Mayor Campesino Institute of Buga, Valle in Colombia (IMCA). The IMCA was founded in 1962 by the "Compañía de Jesús," a nongovernmental organization, which forms a part of the social work of the Catholic Church of Colombia. The "Compañía de Jesús" makes services to campesino communities a priority.

GHALE, YAGYA is a Senior Program Officer at the Centre for Micro-Finance in Nepal, managing and developing savings and credit co-operatives, micro-finance institutions, and HIV/AIDS partnership projects. She was previously the general manager of a women's co-operative for 9 years. These financial co-operatives are currently providing an important stabilizing function in Nepal's highly unstable political situation.

GOLDMAN, RAFI is Director of the International Centre for Cooperative Studies (ICECOS), a division of the Negev Institute for Strategies of Peace and Development (NISPED) in Israel. The Centre focuses on the promotion and development of co-operatives, people-centred enterprises, and similar endeavors.

HAVERS, JULIAN works as a consultant with an ILO research project on the role of co-operatives in peace and reconstruction processes commissioned by the Internatioal Labour Organization (ILO) and funded by the Deutsche Stiftung Friedensforschung (DSF). He holds a Masters degree in "Violence, Conflict and Development"

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KIBORA, ADA has been the Regional Director for ICA Africa since October 2004. He previously served as ICA's Regional Director for West Africa (ROWA). He joined the ICA in 1984 as Research and Projects Officer. During this time he completed (inter alia) national co-operative studies of fourteen countries in the region. Prior to joining the ICA, Mr. Kibora was Director of the Co-operative Department in Burkina Faso. He has been employed many times as a consultant by a number of international organizations.

KIRIWANDENIYA P.A. is a prominent leader in the co-operative movement who has worked to rejuvenate the SANASA Movement, the oldest co-operative system in Sri Lanka. His efforts led to the creation of the SANASA Development Bank, which is a licensed specialized bank established under the Banking Act by the Central Bank of Sri Lanka. Mr. Kiriwandeniya was also unanimously elected the President of the Banking Association of the International Co-operative Alliance (ICA, Asia -Pacific Region). The University of Ruhuna recognized him with a Doctorate of Philosophy Honoris Causa in November 2001 in recognition of his more than 23 years of humanitarian efforts to empower the rural poor.

KIRIWANDENIYA, SAMADANIE is the Senior Manager of International Relations, SANASA International Bank in Sri Lanka. She completed a Masters in Sociology at the University of Saskatchewan in 2000. Her thesis was titled: *Female Identity, Gender, and the Cooperative Movement: The Case of SANASA in Sri Lanka*

KURIA OGW, NELSON is Managing Director the Co-operative Insurance Company of Kenya Ltd. Kenya. Mr Kuria, joined the Kenya National Assurance Company, then the largest insurance company in Kenya as a research officer in 1982 and was instrumental in the building of its marketing division. When he left the company in 1993, he was Chief Manager in charge of the general insurance division. He later worked briefly at a private insurance company before

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KURIMOTO, AKIRA is Director and Chief Researcher of the Consumer Co-operative Institute of Japan and Executive Director of the Robert Owen Association. He is Vice-Chair of the Japan Society for Co-operative Studies and CIRIEC Japan. He served as the Chair of the ICA Asian Co-operative Research Forum (1998-2001) and Chair of the ICA Research Committee (2001-2005). He served the Japanese Consumer Co-operative Union as manager of the International Dept. (1990-2003). He is the author of numerous articles on co-operatives in Japan.

MACDONALD, IAIN is Director-General of the International Co-operative Alliance. He was the former Head of Co-operative Strategy at the Co-operative Group where he had worked since 1986. In addition, he worked for the Co-operative Union as its Sectional Educational Officer in Scotland and the majority of his co-operative career has been spent in that country. Iain MacDonald has extensive international experience with the co-operative movement. He is co-author of the 1995 report of the International Joint Project on Co-operative Democracy *Making Membership Meaningful*. He serves as a Board member of the United Kingdom think tank, Communicate Mutuality. He represents ICA as an observer to the ILO Governing Body and the UN Economic and Social Council. He also serves on the Board of the Committee for the Advancement and Promotion of Co-operatives (COPAC) and is on Freedom from Hunger's Ambassadors Council. In 2005, he was elected as President of the Co-operative Congress (UK).

MACPHERSON, IAN is Director of the British Columbia Institute for Co-operative Studies at the University of Victoria. He has served as the Chairperson for the ICA Research Committee (ICACCR). He

is the Co-Director of the Canadian Social Economy Suite, a national Research Project sponsored by the Social Science and Humanities Research Council. He was the founding President of the Canadian Co-operative Association and chaired the process and wrote the documents by which the International Co-operative Alliance prepared an identity statement for co-operatives and revised their basic principles at the Manchester Congress in 1995. He has twice received the Distinguished Service Award of the British Columbia credit union movement and a Distinguished Service Award from the British Columbia Region of the Canadian Co-operative Association. He is a member of the Canadian Credit Union Hall of Fame and he has received the "Credit Union Ambassador" award from the World Council of Credit Unions for his work on documenting the history of the international credit union movement. He is the first recipient of the Canadian Co-operative Achievement Award, presented by the Canadian Co-operative Association to individuals who have made outstanding contributions to the co-operative movement. He is a recipient of the Rochdale Pioneer Award, the highest award in the international co-operative movement.

MADANE, MADHAV was one of the most distinguished leaders within the international field of Co-operative Studies. After a lengthy career starting with the co-operative movement in India and training at the Co-operative College in the United Kingdom, Dr. Madane worked for the International Co-operative Alliance and the Food and Agricultural Organization in several Asian countries, notably Korea, Japan, Philippines, and India. At the time of the conference, he was director of the Indian Society for Co-operative Studies in Pune, where he was leading the preparation of a multi-volume series on the history of the Indian co-operative movement.

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PAZ, YEHUDAH is Chairperson of the Negev Institute for Strategies of Peace and Development (NISPED), a centre for education, training, and project development in societies undergoing fundamental

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SHIMA SARAH is Program Officer, Analysis and South Asia, for the Canadian Co-operative Association. She has extensive experience in co-operative development projects in India, Nepal, and Sri Lanka, monitoring their development, visiting projects on site, and preparing applications for funding. She managed the Atlantic Council for

International Co-operation for three years, and managed interns on international development programmes for four years before that.

SCOTT, GILL is a British social historian at University of Brighton, with a special interest in issues of gender, class, feminism, and the experience of working-class women. Dr Scott's particular focus has been the history and politics of the Women's Co-operative Guild. Her research on domestic labour and housing policies in the1940s, is part of the *Women and Built Space 1860-1960* project (Centre for the Study of Urban Culture, Nottingham University, 2002). She has written extensively on working class women and the Women's Co-operative Guild in the UK.

SOEDJONO, IBNOE was Chairman of the Institute for Indonesian Cooperative Development Studies in Indonesia. Mr. Soedjono held various positions within the Indonesian government including the role of Director General of Co-operatives. He actively promoted the idea of PEACE in conflict-torn Indonesia. He staged various forums to motivate co-op leaders to adhere to the co-operative values and principles. Mr. Soedjono presented many papers on co-operative subjects and issues for various forums, nationally and internationally.

TENAW, SHIMELLES is a researcher in the department of Economics and Management, Faculty of Agriculture and Forestry at the University of Helsinki. Working together with the Institute for Co-operative Studies, the Institute of Development Studies at Helsinki University, the Finnish Co-operative Development Centre, and the Ministry of Agriculture and Forestry of Finland, he organized two seminars for co-operative officers, policy makers, researchers, and specialists on co-operative development in Africa (Helsinki, Finland,1992 and Harare, Zimbabwe,1993). He has published *Time is for All*, dealing with the role of co-operatives in the development of rural areas of Africa.

TSUZUKI, CHUSHICHI is Professor Emeritus, Hitotsubashi University (Japan). He is also the Honorary President of the Robert

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TULUS, ROBBY is an Associate of BCICS and the ICA. He co-founded the Credit Union Counseling/Central Organization (CUCO) in Indonesia and the Asian Confederation of Credit Unions (ACCU). He has worked with CCA as Asia Region Director, as Senior Policy Advisor of the ICA, and as Regional Director for Asia Pacific Region of the ICA. Mr. Tulus has worked closely with the Canadian International Development Agency (CIDA), national and international NGOs, specialized agencies of the United Nations, multilateral agencies, and was instrumental in instituting biannual co-operative ministerial conferences in the Asia Pacific region to create a more enabling environment for co-operative policy and legislative reforms.

Acronyms

ACCF: Asian Consumer Co-op Fund

ARP: Air Raid Precaution debate in England

AWCF: Asian Women in Co-operative Development Forum

BRB: Bosna River Basin - Yugoslavia

BRR: Regional Rehabilitation and Reconstruction Agency set up to build capacity after the tsunami in Aceh

CAPWIP: Centre for Asia Pacific Women in Politics

CC: The Central Committee of the Women's Co-operative Guild, England

CCA: Canadian Co-operative Alliance

CEB: Ecclesiastical Base Communities of the Catholic Church in Brazil associated with small groups of families engaged in collective production and political organization

CFW: Cooperatives of Forest Workers in Cote d'Ivoire

CHT: Chittagong Hilltracts of Bangladesh

CIDA: Canadian International Development Agency

CMF: Center for Micro Finance, Nepal

CNCR: Le Conseil National de Concertation des Ruraux a été créé in Senegal. They create partnerships between various rural groups and encourage co-operative growth.

CND: Campaign for Nuclear Disarmament

CONCRAB: Confederation of the Cooperatives of Agrarian Reform in Brazil. A national confederation of co-operatives

COOPAC: Canudos Agricultural Production Cooperative Ltd. (Brazil)

CPF: Confederation Paysanne du Faso in Burkina, West Africa

CPGB: Communist Party of Great Britain

CPN-M: The Moist Communist Party of Nepal

CSDTC: Chamen Self-Development and Training Centre

CUCO: Credit Union Central of Indonesia

DEKOPINWIL: The Provincial Federation of Co-operatives in Indonesia

DID: Développement international Desjardins

DOC: Nepal Department of Co-operatives

DOM: Military Operations Zone in Sri Lanka

DRS: Regional Sustainable Development in Columbia

EAC: Isreali Eshkol Agricultural Committee

ECG: Women's Co-operative Guild. Variations include the English Women's Co-operative Guild and the Cann Hall Women's Guild.

ETIMOS: Ethical Bank of Italy

FECECAM: Federation of Agricultural Savings and Credit Cooperatives and Mutuals in Benin, West Africa

FENOP: Federation National Des Organisations Paysannes in Burkina Faso. FENOP builds strategic capacity among member groups through dialogue and workshops

FTA: Free Trade Agreement

FUCEC: Federation of Savings and Credit Co-operatives in Togo, West Africa

FUMBW-MPC: Federation of United Mindanawon Bangsamoro Muslim Women Multi-Purpose Co-operatives of the Philippines

GAM: Aceh Freedom Movement

GDP: Gross Domestic Product

GPO: A film unit out of the British Post Office creating documentaries like Coal Face (1935)

GTZ: Gesellschaft für Technische Zusammenarbeit. The GTZ is an international co-operation enterprise for sustainable development with worldwide operations.

ICA: International Co-operative Alliance

ICFTU: International Confederation of Free Trade Union

ICJ: International Court of Justice

ICR: Integrative, interest based conflict resolution

ILO: International Labour Organization

ILO-INDISCO: A section of the International Labour Organization that works to strengthen the rights of Indigenous and Tribal peoples to shape development strategies based on their own needs and priorities

IMCA: Mayor Campesino Institute working towards Peace in Colombia

JCCU: Japanese Consumer's Co-operative Union

JCU: Japanese Co-operative Union

JCP: Japanese Communist Party

JSP: Japanese Socialist Party

LCS: London Co-operative Society

LDP: The Liberal Democratic Party of Japan

LEDAs: Local Economic Development Agencies

LSP21: Institute for Indonesian Co-operative Development Studies

LTTE: Liberation Tigers of Tamil Eelam

MOU: Memorandum of Understanding (MOU) signed in Helsinki, aiming to end the conflict in Aceh, Indonesia's western most province and the site of an armed insurgency that has operated at varying levels of intensity since 1976

MST: Brazilian Landless Workers Movement

NATCCO: National Confederation of Co-operatives of the Philippines

NGO: Non-Governmental Organization

NISPED: Negev Institute for Strategies of Peace and Development

NUBL: Nirdham Utthan Bank in Nepal that provides micro-credit loans

NZSLBT: New Zealand Sri Lanka Buddhist Trust

OCB: Organization of Brazilian Co-operatives

OSCE: Office for Security and Co-operation in Europe

PPU: Palestinian Peasant's Union

RABO Bank: Rabobank Group is a Dutch full-range financial ser-
vices provider founded on co-operative principles and is a
global leader in sustainability-oriented banking

SACCOS: Savings and Credit Societies in Kenya

SANASA: Sri Lanka's Federation of Thrift and Credit Co-operative
Societies

SAP: Structural Adjustment Programme of the World Bank and In-
ternational Monetary Fund

SCA: Settler's Co-operative Society in Brazil.

SCC: Community based savings and credit co-operatives in Nepal

SDF: Self Defense Force formed in 1950 to strengthen the military
force in Japan

SOCODEVI: Société de Coopération pour le Développement In-
ternational. A Canadian NGO that promoted forest worker
co-operatives in Cote d'Ivoire during the 1990s

SSD: UN General Assembly Special Sessions for Disarmament

UNCAS: National Union of Agricultural Cooperatives, Senegal

URCBAM: Regional Unit of Cooperatives of Bam in Burkina Faso

UNDP: United Nations Development Program

UNICEF: United Nations Children's Fund

UNGVT: Union Namanegbzanga des Groupements villageois de la
zone de Tanlili in Burkina Faso

USD: United States Dollars

WFA: Worker's Film Association

WFP: World Food Program

WOCCU: World Council of Credit Unions

WVS: Women's Voluntary Service split from the more pacifist Eng-
lish Women's Co-operative Guild

In June of 2006, BCICS hosted an international conference on Co-operatives and the Pursuit of Peace. For three days, 38 co-op participants representing 16 different countries met to review the historical record of how co-operatives have addressed conflict and to reflect on current practices of co-operatives operating in areas deeply divided by political, economic, and social injustices.

The conference and this volume of essays represent one of the first sustained and in-depth examinations of this topic by the co-operative movement. To carry that agenda forward, New Rochdale Press, an imprint of BCICS, is launching a new series of publications on co-operatives and peace.

- Volume One: Co-operatives and the Pursuit of Peace
  – eds. Joy Emmanuel and Ian MacPherson
- Volume Two: The Contributions of Co-operatives to Peace
  A People to People Approach
  – Ian MacPherson and Yehudah Paz (Forthcoming)
- Volume Three: Co-operatives and the Pursuit of Peace
  DVD (Forthcoming December 2007)

For more information visit the co-ops and peace website at: *http://www.peace.coop/main/* or email us at *peaceco@uvic.ca*