



CO-OPERATIVES UK

THINK PIECE 5

Co-operatives and the wealth of nations

Humanizing the economy

John Restakis

“In the history of bad ideas with huge consequences, the idea of the free market is one of the worst.”

Preface

The UK Society for Co-operative Studies saw this year's Co-operative Fortnight as an opportunity to do some deep thinking about the position of the co-operative movement in the world today.

We were absolutely thrilled when Co-operatives UK agreed to support the idea of a Co-operative Fortnight lecture and that thrill was enhanced when John Restakis, the Executive Director of the British Columbia Co-operative Association, was available to come to Britain and speak about his new book, *Humanizing the Economy, Co-operatives in the Age of Capital*, in the run up to the 2011 Co-operative Congress.

We were also delighted when colleagues across Britain co-operatively agreed to turn this opportunity from a one-off lecture into a wide ranging tour. Like a North American in Europe, John Restakis, with amazing energy took his lecture, Co-operation and the Wealth of Nations, to three nations in three days taking in Cardiff, across to London, up to Edinburgh, then back down to Sheffield, ending up at the Co-operative Congress in Birmingham.

Contained here is John Restakis' full lecture - the inaugural Co-operatives Fortnight lecture.

Secretary of the Society, Richard Bickle, exploited almost every page of his address book to pull together the tour at very short notice. We owe tremendous thanks to Ed Mayo, Secretary General of Co-operatives UK together with Giles Simon and John Atherton. Dr. Molly Scott-Cato (and her supply of Welsh cakes) the Director of the Cardiff Institute for Co-operative Studies at the University of Wales Institute and Alex Bird of Co-operatives Wales, for kicking the tour off in Cardiff. For James Kelly MSP, Richard McCreedy and Jim Lee of Co-operation and Mutuality Scotland for the Edinburgh leg, the staff at Wortley Hall, where we incorporated the Ian Pyper Memorial Lecture, in Sheffield.

Then in London the Chair of Co-operatives UK David Button, Meg Hillier MP and Joe Fortune from the Co-operative Party.

Thanks also to everyone who turned out at short notice to hear John speak. I am sure those who had the privilege will not quickly forget it. Those who missed out get their chance to read John's words in this pamphlet.

If you want to obtain a copy of John Restakis's book, published by New Society Publishers in Canada, our partner in selling his book is workers co-operative booksellers, News From Nowhere, from Liverpool. To order your copy search for John Reztakis on www.newsfromnowhere.org.uk. Lastly the UK Society welcomes new members. For membership details and a free copy of our journal send your name and address to the secretary, Richard Bickle, email: richardbickle@cooptel.net or write to: UK SCS, Holyoake House, Hanover Street, Manchester, M60 0AS.

Nick Matthews
Chair the UK Society for Co-operative Studies

Co-operatives and the wealth of nations

First, I want to say what a privilege it is to be here today. I wish to thank Co-operatives UK for sponsoring my visit and offering me this rare opportunity to share some reflections on a number of questions that I feel are of particular import to the future of the co-operative movement, not only here but also around the world. It's a true honour to have been invited to do so.

The subject of my talk is Co-operatives and the Wealth of Nations and how to address what I consider the defining issue of our time – the widening gap between economics on the one hand and the welfare of human societies on the other. This is a question that cuts across every one of the major issues that daily demand our attention. The growing disparity between rich and poor and the rise of inequality. The destruction of our environment. The decline of community. The rise of depression and increasing unhappiness. And of course, the unraveling of our economies caused by institutionalized greed.

I know that these issues are not new. We have known for a long time, perhaps forever, that our economic and political systems favour the rich and the powerful. Whether we live on the western edge of North America as I do, or in a global metropolis like London, or in some quiet village in rural England, or Spain, or Sri Lanka, the injustice and inequality that has come to define the empire of capital is a common truth which grows more obvious every day. But something has crystallized in our lifetimes.

Our lives, those of the generations that were born after the Second World War, have been the time span of a major transition in human society. In the west, and increasingly around the world, a constellation of forces have converged and crystallized into a wholly new phenomenon – the final triumph of economic man as the defining model for the individual and society.

“Social costs such as the decline of social relationships that are the foundation of community are also at crisis points. How has this happened? And how do we find a way out?”

The idea of homo economicus is the result of two hundred years of history. And while this has also been a period of unprecedented growth in material wealth, the notion of the human individual as being defined primarily in economic terms – as a consumer – has also produced profound social and psychological damage. Western society is just now coming to terms with the consequences.

The personal costs include depression, anxiety, and widespread unhappiness. Social costs such as the decline of social relationships that are the foundation of community are also at crisis points. How has this happened? And how do we find a way out?

The Grand Delusion

At the bottom of this crisis is what I call the Grand Delusion. What is the Grand Delusion? It's the belief that the economy is divorced from society. It's the belief in a so-called "free market" that floats above actual societies and actual people and somehow operates according to its own laws, separate from the social relationships that underpin virtually every other human activity. In the Grand Delusion, economies operate according to their own natural laws, with little or no connection to the societies that produce them – like gravity or chemistry. The result is that economies have been dehumanized and through their transformation into consumers, people have been commodified.

In the history of bad ideas with huge consequences, the idea of the free market is one of the worst. What have been some of the results of this idea?

The rise of the idea of the free market also coincided with the rise of prosperity and productivity in those societies where it took root. The question I am raising is: at what cost? For it is now apparent that we have arrived at a point where what we considered benefits in one time and context, have become toxic today. We are at the end of an era. Despite levels of wealth and comfort that are unprecedented in human history we remain uncertain and insecure, prone to depression, anxious, worried about how others see us, and driven to consume as a remedy for what is missing in our relationships, in our family lives and in our connections to our communities. Prosperity is no longer capable of providing us with the happiness we seek. We are at the end of what economic growth can do for us.

In a nationwide survey of Americans, it turns out that people felt that “materialism” somehow comes between them and the satisfaction of their social needs.¹ Surprisingly, many Americans are “deeply ambivalent about wealth and material gain”. This is because economic wealth has been shadowed by social poverty. And this is true throughout the advanced industrial societies. People are caught in what has been called the Happiness Paradox. The more we have, the less satisfied we have become. The idea of the market society that took root in the Industrial Revolution and helped generate this prosperity has run its course.

This is one side of the issue.

But another revolutionary idea that arose around the same time was at least as responsible for the rise in prosperity as that of the free market. That’s the idea of democracy.

¹ The Harwood Group, Yearning for Balance, Views of Americans on consumption, materialism and the environment, Takoma Park MD: Merck Family Fund, 1995

The level of prosperity in a society is proportional to the democratic distribution of power. Conversely, the level of privilege and economic disparity in a society is proportional to its absence. And so, contrary to what some would have us believe, it is not free markets and capitalism that are the preconditions of democracy. Democracy has been around since the 4th century BC. Instead, it is democracy that is a precondition for prosperity and capitalism itself. Why is that? It's because economies are a mirror reflection of a society's politics. Economic power and political power are twinned forces. If you have one, you have the other. And chances are, if you lack one you also lack the other. In both cases, in economics just as in politics, there is only one remedy to privilege and that is the distribution of power as widely as possible.

When the democratic revolutions of the 18th century forced the sharing of power in politics, one immediate consequence was the rise of prosperity. The equalization of political power was a precondition for the distribution of wealth. It was democracy that made possible the creation of social security systems, of minimum wages and work safety, of universal health, and of universal education. Look at what is happening now in the revolutions sweeping Egypt, Tunisia, Libya, and the rest of the Arab world. The demand for democracy is intimately linked to the absence of economic opportunity. People understand that political freedom is the basis of prosperity.

What I want to stress is that democracy, and the co-operative form, remain keys to re humanizing our economies today. It means taking the democratic revolution beyond politics into economics so that it can transform economies as it once transformed political systems. This is one remedy for reversing the growing inequality in our societies, and I will come back to this theme. The key point is that while our political systems have been radically transformed with the introduction of democracy, our economic systems are still stuck in the 18th century.

For years, on both sides of the Atlantic, we have been told that capitalism is the basis of democracy. But the alleged affinity between democracy and capitalism is contradicted both by the historical record and by the conduct of our economic institutions.

This is most obvious in the suppression of democracy in the marketplace. The inequity of political power that allowed ruling elites to exploit the weak in pre democratic societies is the same issue at work today in the realm of economics. The freedom and equality that were won at such cost in politics through the democratic revolutions have been steadily eroded by the pervasive and growing influence of corporate power in our economies. In any society, authoritarian power in economics ultimately trumps democratic power in politics. The absence of democracy in economics is a permanent threat to the survival of democracy in politics.

The market and the larger notion of the economy of which it is a part is in its nature a social and public concept. The notion that any one class can own the market or that the market has a natural organisational form such as the corporation, are false. And despite the assumptions of free market fundamentalists, the market does not belong to capital; the forms of enterprise that make it up and give it its vitality are as varied as the uses to which they are put and the values they embody. These values may be just as committed to social goods and ends as they are to commercial ones.

The forms that capitalism can take are also very diverse. Conventional economics makes it sound as if true capitalism comes in just this one "pure" form of the free market populated by private companies. This is also false and contradicts one of capitalism's great strengths – its chameleon-like ability to adapt. There are many capitalisms, many ways that capital can mobilize and co-ordinate the process of economic production. And there are many ways too, that the co-operative model can not only prosper within the larger framework of capitalism, but also lend its strengths to the success of small and medium capitalist enterprises and the regional economies of which they are a part. What is more, the co-operative model has much more to offer than a way of helping firms survive in the ruthless war of each against all that characterizes free market capitalism. It is absolutely central to humanizing the market and reducing the huge personal and social costs that come from the inequalities and injustices created by this system.

Emilia Romagna

The best example of what I am describing is the co-operative economy of Emilia Romagna in northern Italy and I want to spend a few moments on this because there is much to be learned from its example.

Emilia Romagna is Italy's most prosperous region and Bologna, its capital, among the country's wealthiest and best-governed cities. The per capita income of the region's residents is Italy's highest, unemployment is the nation's lowest, and its products - among the world's most coveted brands - account for the second highest proportion of Italy's total exports. This is the home of Ferrari cars and Ducati motorcycles, of Parmesan cheese and Parma ham, and of the 400,000 small firms that flourish here. The intensity of the region's entrepreneurial activity is staggering. There is one enterprise for every ten inhabitants.

“The result is an economic model that includes co-operative and capitalist firms alike in a system that allows small and medium firms to compete globally through the use of co-operation as an industrial strategy.”

The continuing success of these enterprises have made Emilia Romagna a classic case study for understanding the mechanics of a successful small-firm economy, and a key reason for its success is the influence of the world's most successful and sophisticated co-operative economy. It represents one of the very rare examples, perhaps unique in the world, of the co-operative

model migrating out of the co-operative movement to shape the organization and operating mechanics of the surrounding capitalist economy. The result is an economic model that includes co-operative and capitalist firms alike in a system that allows small and medium firms to compete globally through the use of co-operation as an industrial strategy. The Emilian Model, as it has come to be known, is the antithesis of large-scale corporate capitalism and its most compelling small-firm alternative.

The formal co-operative economy in Emilia Romagna is extensive and highly diversified. Eight thousand co-operative enterprises account for 40 percent of the region's gross domestic product (GDP). Most of these are small or medium in size, like the capitalist firms of the region. However, some are sizable and are among the region's largest enterprises.

Although co-operatives are present in nearly all the key sectors from construction and agriculture to machine production and housing, the provision of social care is the fastest growing sector of the co-operative economy. In the city of Bologna, 87% of social services are delivered through contracts with locally controlled social co-operatives. Sixty percent of the region's inhabitants are members of at least one co-operative and fully ten percent of Bologna's residents work for a co-operative. In other cities the rate is even higher. In Imola, located just a half-hour southeast of Bologna, most of the main enterprises, both commercial and social, are co-operatives. Fifty percent of the residents are stockholders in the area's 115 co-operatives.² Over 60 percent of the town's GDP comes from its co-ops.³

Co-operatives in Emilia Romagna are no longer marginal alternatives to the mainstream economy. They have become a determining force in the mainstream. In every key industry, co-operatives play a central role. And while some have retained their regional character, many are now global organizations with operations in countries around the world. Emilia Romagna is home to some of the world's most successful international co-ops. Their experience is a key reference for understanding the unique challenges of running a successful co-operative on a global scale.

2 SACMI Company Profile, 2003, Paolo Billi

3 Vera Zamagni, Italy's Co-operatives, From Marginality to Success, unpublished paper, 2006

Until 1971 Italian co-operatives were of a limited size. But the 1970s marked a turning point for the movement. The model began to take off, accelerating rapidly during the 1990s when co-operatives seem to have capitalized on an accumulation of experience, managerial and strategic skill, the formation of co-operative networks and the skillful deployment of co-operative capital to fuel growth.⁴ In 1971, co-operatives with more than 500 employees represented 2.3 percent of all Italian companies of this size. By 2001 this figure had risen to 8.1 percent. This growth among the largest co-operatives is exactly the opposite of the prevailing trend among capitalist firms that shrank in size while co-ops grew.

How did this happen? How was it that at a time when many Italian enterprises were reducing in size and cutting their labour forces, co-ops flourished and began to dominate in key sectors? And what does this have to say to the conventional notion that co-ops are a marginal form destined to remain small and ineffectual as an economic force?

The answer seems to lie within the co-operative ethic and the social relations among co-operatives themselves once a critical mass of enterprises has been reached. Italian co-operatives mastered the art of mobilizing common interests. In addition, the presence of umbrella institutions capable of forging new partnerships, discerning long-term strategic opportunities at industry levels, investing in research and mediating the establishment and mobilization of sector-wide resources has been a key factor in the Italian case.

Co-operatives have always created mutually supportive networks amongst themselves, a practice pioneered here in the UK. But the Italian co-ops raised this strategy to new levels at the end of the 70s and the 80s. They consolidated operations, merged smaller co-ops within larger organizations and forged complex networks that linked co-ops and non co-ops alike around common goals.

4 *ibid*

In key sectors, networked co-operation aggregated smaller enterprises into industry-wide consortia that operated at regional and later national and international levels. In short, co-operation among co-operatives became the driving principle behind the co-operative movement's economic strategy.

The sectoral and regional networking strategy that was pioneered by Italy's co-operatives was not limited to the co-operative sector. It was to play a seminal role in the phenomenal success of the capitalist small-firm economy of Emilia Romagna as well. Co-operation is at the heart of the region's industrial districts and the shared production systems that allowed small firms to compete in global markets.

What are the lessons here?

First, Italian co-operatives have shown conclusively that the vaunted efficiency of capitalist firms can be matched – and exceeded – by co-operatives.

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Provided with the legislative and market tools that enable them to utilize their natural strengths, co-operatives can outperform their capitalist competitors in sectors that were formerly thought to be natural capitalist strongholds such as large scale construction, engineering, and financial services.

Italy's co-operatives have shown not only that the co-operative model is effective at national and even international scales of operation, but that co-operation is a life-saving strategy for the survival of small and medium capitalist enterprises as well.

Second, the Emilian Model represents a socialization of capitalism. This does not disguise the very real, and intrinsic, problems that are inherent in any capitalist system.

All forms of capitalism end up by siphoning national wealth into fewer and fewer hands. Inequality is in the DNA of capitalist systems. But what co-operation can do is humanize a capitalist economy. It can foster and sustain economies of small enterprises that are rooted in community and yet survive in a global marketplace. It can mitigate the catastrophic effects of large-scale, nomadic production systems and their impacts on the environment, the community, and on the character of work. It can provide a viable alternative to delocalization and the dehumanizing effects of work devoid of skill. It can cultivate a sense of shared purpose, a collective concern for the success of all enterprises, including one's competitors, and an understanding that the success of one firm is intimately connected to the success of all - the success of one enterprise does not require the failure of another.

Third, the success of the small firm economy of Emilia Romagna is based on the modes of mutual aid that are integral to the co-operative system. These strategies of mutuality are crucial not only to the survival of a small firm economy.

They also reflect the growing interconnectedness of business that has been prompted by what Robin Murray has called the third industrial revolution – the revolution in technology, information, and production that makes co-operative models especially effective in our digital age – The Age of Google. And just as co-operation among co-operatives has been the key to the success of the co-operative system in Italy, it is indispensable to the growth and survival of co-operative movements everywhere, whether in advanced industrial societies like Britain or Italy, or even more, in the struggling economies of the poor and exploited regions of the world. Just as co-operation helped the weak and the powerless to forge a place of their own in the market economies of the early Industrial Age, so too is co-operation the most effective response by the victims of this same economic model being imposed on the rest of the world through globalization.

Industrialization and social defence

The viability of the co-operative model when compared to the capitalist in terms of economic performance can no longer be disputed. Without question a co-operative economy is not only capable of outperforming a capitalist system economically, both for individuals and for enterprises, but even more so for social outcomes. And this is where I want to turn my attention now.

“Without question a co-operative economy is not only capable of outperforming a capitalist system economically, both for individuals and for enterprises, but even more so for social outcomes.”

One of the distinguishing features of Emilia Romagna when compared to other regions of Italy is not only its prosperity, but also its economic equality. This is another key lesson. Emilia Romagna is not only more prosperous than other regions of Italy and Europe, it is also more egalitarian. Income levels between the highest and lowest segments of society are far less pronounced there than anywhere else in the country.

Yet the average earnings of people are among the highest in Italy. More women are employed in the labour force than anywhere else in Italy. More of the region's citizens have access to higher levels of education and training than elsewhere. Such differences in economic equality have a profound effect on society.

And the presence of co-operatives is a key reason for this.

In 2000, a study was conducted comparing the effects of employment in co-operatives on the communities in which they were situated.⁵ Three towns in Northern Italy were compared – Imola, which I have already mentioned and which has 25 per cent of its workforce employed in co-operatives, Faenza, also in Emilia Romagna, which has 16 per cent, and Sassuolo in Tuscany, which has no co-operatives. The study concluded that health, education, crime and social participation were all better in the towns in which a larger proportion of the population is employed in co-operatives.

This reflects findings by Robert Putnam on the correlation between the presence of co-operatives and social inclusion, voter participation, trust in government, and government responsiveness. The reason is that co-operatives, like other social economy organizations, act as generators of social capital, which is the mechanism that predisposes people to work together around common goals – whether these are directed to raise funds for a local charity, or to ensure that governments are responsive and promote the public good. On the other hand, capitalist firms consume social capital without replenishing it. Modern capitalism feeds on trust while at the same time promoting attitudes and behaviours that undermine it.

Selfishness, individualism, unbridled competition and growing inequality all conspire to destroy trust between people. But because co-operatives are based on the practice of reciprocity they act like batteries that continuously recharge a society's store of social capital simply by doing what they do – pursuing common aims by harnessing and directing the combined efforts of those who will benefit from their mutual effort.

Repairing inequality

And now we come to the heart of the matter when we consider the role of co-operatives in repairing the damage inflicted on our selves and our communities by consumerism and the rise in inequality that has become the hallmark of neo-liberal thinking.

5 D. Erdal. *The Psychology of Sharing: An evolutionary approach* Unpublished PhD Thesis, St. Andrews, 2000

In the last thirty years, the decline of the socialist model produced an intellectual vacuum that was filled by the simplistic and self-serving platitudes that came to dominate the thinking of politicians and policy makers seduced by the myth of the free market. One consequence was the disappearance of any public debate about how we might make our societies more egalitarian. At one time, not so long ago, this was at the heart of political discussion. To raise the issue today is to risk being labelled a communist, or sadly out of step with the times. Meanwhile, the scale of inequality is not only increasing and accelerating, it is creating a pathology of social ills that are finally coming to light as researchers chronicle the devastating, and undeniable effects of free market ideology.

In their book *The Spirit Level*, Richard Wilkinson and Kate Pickett have laid out in damning detail the social costs of inequality. They provide hard evidence that in almost every measure of personal and social well-being, including health, life expectancy, mental illness, teenage pregnancy, violence, educational performance, drug use, infant mortality, obesity, crime, women's equality, trust, and charitable giving, unequal societies fare worse than more equal ones. There is a social gradient in unequal societies that predicts that all of these problems, not just one or the other, will be worse and affect everyone in that society, regardless of their income, than in those societies where income inequalities are less.

What is more, it is in those societies that are the wealthiest, like the U.S. and Britain, that inequalities are the greatest and whose damaging effects on the wellbeing of everybody, rich and poor alike, are the worst. The high average income level in the U.S. does nothing to reduce its health and social problems relative to other countries. Babies born in the US are twice as likely to die in their first year as babies in Japan. The difference in average life expectancy between the USA and Sweden is three years.

Comparisons among states in America bear this out. In states like Louisiana and Mississippi where income disparities are the greatest, the incidence of poor health, teen pregnancy, crime, and shorter lifespans are the highest. In 1990 it was calculated that black men in Harlem are less likely to reach the age of 65 than men in Bangladesh. And just last week, I was reading a report from the Chicago Tribune that in large parts of the United States, life expectancies for women actually declined between 1997 and 2007. Setbacks on this scale have not been seen in America since the Spanish influenza epidemic of 1918.⁶

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The concentration of wealth in ever fewer hands is arguably the single greatest threat to social and personal well-being. And the most effective remedy to this is the equalization of wealth and power by extending democracy in our economies. Not by a top down process of government command and control, but bottom up, through the creation of co-operatives and democratic economic institutions.

If ever there was a game-changing role that the co-operative model could play in changing the paradigms we live by it is to humanize the economy by democratizing it. Without this, no amount of policymaking, or regulation, or redistribution, will be enough. Because what one government may do today, another may undo tomorrow. We need to expand the operating space of co-operative institutions, in both the private and the public sectors, if the challenge to established privilege is to make a difference. It begins with political will. But it ends with the reclamation of power in our workplaces, in the dissolution of the marriage between politics and capital, in the restoration of social purpose and accountability to enterprise, and in the repair of our communities through the bonds of mutuality and reciprocity that are at the heart of the co-operative idea.

⁶ Noam N. Levy, Women are dying younger than they did a decade ago in large parts of the U.S., Chicago Tribune, June 16, 2011

There is no question that powerful entrenched interests will try to discredit and undermine any effort to equalize society. They will play on people's fears that raising taxes on the rich will undermine the economy, that support for public goods such as pensions and public health and child care can no longer be afforded, that other forms of enterprise such as co-ops or public corporations are inefficient, that they don't work. They will do everything to convince us that competition, individualism, and the right to pursue profit at any cost are the foundations of a free society. And although these arguments are both false and self-serving they will win the day unless a viable alternative is put forward. Until the co-operative movement can shift from marketing its successes to articulating and advocating its philosophy both in the market and in the political arena, nothing will change.

We need to be just as aggressive and steadfast in the promotion of our worldview as capitalists are for theirs. But first we must acknowledge that we have a worldview. That co-operatives aren't just another way of doing business. But that they reflect a completely different set of values that place economics in the service of social ends. It's what people need to hear. They are crying out for an alternative. And if there is ambivalence about this inside the co-operative movement, we need to have the debate out in the open. It's time the co-operative movement declared itself and came out of the closet.

At minimum this means supporting the emergence and growth of enterprises that place control in the hands of those who depend on them for their livelihoods or of those who rely on them for the goods and services they consume – especially in the realm of social care and public services. And we need to devote the resources to get this message across. Having our own broadcasting networks and think tanks and research centres is a good place to start.

All of this is crucial to reclaiming the market, which is a precondition for the development of humane economies. And by saying this, I am not advocating that all enterprises should be co-operatives. That would be as absurd as claiming that a free market should only contain capitalist enterprises. The fact is, I believe in genuinely free markets and real economic liberty, not the sham we are dealing with today.

“Humane economies are a lot like healthy ecosystems. They depend on the creation and recreation of a diversity of economic forms.”

Humane economies are a lot like healthy ecosystems. They depend on the creation and recreation of a diversity of economic forms that respond to the different dimensions of human societies and provide scope and freedom to the broad range of human needs and talents that compose them.

Just as the domination of any one species to the exclusion of others will destroy an ecosystem, so too do economies depend on the presence of a diversity of economic forms – capitalist enterprises, large and small, that aggregate and generate wealth; public and state institutions that redistribute wealth and promote equity; social enterprises that use the market to promote social goods; and co-operative enterprises that generate social solidarity through the practice of reciprocity.

What is crucial is that the deadening effect of any single model be averted. When this happens, it is always accompanied by coercion and an ideology that both justifies its domination and undermines our capacity to imagine alternatives. And we live in such a time. It is most apparent in the difficulty people have in imagining any alternative to the present system.

This inability to imagine an alternative is the final triumph of ideology. The enthronement of consumerism and the acceptance of corporate capitalism as its social mechanism have diminished public life, denying people everywhere insight into other ways of organizing and conceiving life. For there are alternatives.

The times change, and the obstacles to constructing humane and caring societies change also. But knowledge is fragile and it is perishable. The one crucial inheritance from the past that must be safeguarded is the knowledge that more than one world is possible.

Co-operatives are enduring evidence of another way of living our lives. Like the monasteries of the middle ages that kept alight the ideals and knowledge of classical antiquity for a later age, co-operatives the world over safeguard a humane vision of social and economic life. Triumphant or not, so long as they exist they recall another understanding of human economies, another sense of how people might live together in the pursuit of common aims. They will always remind us that the human fabric is made up of individual threads, each distinguishable and apart, each an integral part of the whole that in turn sustains and defines us as individuals.

When the weavers of Rochdale came together on a bleak winter evening in 1844 to create their small co-operative store they were dreaming a very grand dream - a weaver's dream. But it was no illusion.

ABOUT THE AUTHOR

John Restakis is Executive Director of the British Columbia Co-operative Association and author of many books, including his most recent, *Humanizing the Economy*. He is one of the world's leading co-operative economic thinkers and educators, and this lecture was delivered as part of a tour organised by the Society for Co-operative Studies, Co-operatives and Mutuals Scotland, Co-operatives and Mutuals Wales and Co-operatives UK.

Co-operatives UK

Co-operatives UK works to promote, develop and unite co-operative enterprises. It has a unique role as a trade association for co-operatives and its campaigns for co-operation, such as Co-operatives Fortnight, bring together all those with a passion and interest in co-operative action.

Any organisation supportive of co-operation and mutuality can join and there are many opportunities online for individuals to connect to the latest co-operative news, innovations and campaigns. All members benefit from specialist services and the chance to network with other co-operatives.

www.uk.coop

John Restakis, the Executive Director of the British Columbia Co-operative Association, delivered the inaugural Co-operatives Fortnight lecture in June 2011. *Co-operatives and the wealth of nations* is the transcript of the talk he gave.