

# Editorial

Our first paper in this issue picks up on the principle of co-operation between co-operatives and within co-operatives and explores this in the context of deposit taking savings and credit co-operatives (DT-SACCOs) in Kenya. The World Council of Credit Unions reported over 7,000 credit unions in Kenya in 2018 with a membership of over 7.7 million (WOCCU, 2019) and growing. In their paper, Kiruthu, Namanda and Kiri highlight the key role that traditional savings and credit co-operative societies (SACCOs) and DT-SACCOs have in Kenya although they suggest their potential (and the promotion and implementation of Principle seven) is often under-utilised. DT-SACCOs like traditional savings and credit co-operative societies provide a range of savings and credit products. Unlike traditional SACCOs, they also provide additional banking services such as automated teller machines (ATMs) and withdrawable savings accounts.

The research carried out by the authors looks at the links between collaboration and strategy execution to support the viability and operation of the co-operative. This quantitative study asks a range of questions and links to strategy implementation and intra-departmental, inter departmental and external collaboration, which are detailed in the appendices to the paper. The authors suggest that to improve decision capability there is a need to break down organisational silos and to ensure the participation and involvement of all internal stakeholders. In looking externally, the authors note the need to move beyond bench-marking performance through more meaningful networking and co-operation across SACCOs which can be facilitated by national and international apex organisations. They also suggest further research is needed on different stakeholder perspectives as their research primarily involved senior officers. Nevertheless, the authors provide food for thought for SACCO practitioners.

The second contribution is the final paper of three that looks at accounting and reporting for co-operatives. This paper looks at the more specific issue of sweat equity and Maddocks provides different understandings of the concept.

There is sometimes confusion between 'sweat equity' and 'sweated labour'. Sweated labour is generally understood as a system whereby individuals directly employed or subcontracted on low wages or piece rates, for long hours, and in poor conditions. This 'definition' has not much changed since the UK report from the Select Committee of the House of Lords on the Sweating System (House of Commons, 1888). Equally, the contexts and conditions for worker exploitation still exist viz. reports on child labour and modern slavery (ILO, 2017; ILO, 2018; ILO/OECD/IOM/UNICEF, 2019). The concept of worker exploitation has often been used to criticise worker co-operatives in particular for self-exploitation. For some, worker co-operatives are inherently anti-capitalist for others a hybrid in the capitalist mode of production leading to the notion of self-exploitation (see for example, discussions between Carter, 1989 and O'Neill, 1991; also, Mellor et al., 1988). Co-operatives are not inherently political or radical (Sandoval, 2016a; 2016b) nor are they immune to accusations of exploitation; the complexity is demonstrated through continued debate between individual, meso and macro exploitation, economic and social theories of the firm, and self-directed enterprises and (self-) entrepreneurialism.

Sweat equity may not escape the self-exploitation debate, but the non-monetary contribution to start-ups — particularly (self-build) housing co-operatives and land trusts — allow for participation and ownership through sweat equity. It is this aspect of alternative investment that Maddocks's paper looks at both as a temporary and ongoing feature in co-operatives. In looking at ways of accounting for and reporting, he draws on forms of volunteering and looks at motivations for providing unpaid labour in co-operatives. From this he identifies two main forms of sweat equity and combinations of attributes or motivations. (Figure 3), which are briefly presented and explored and concludes on the potential for accounting for and reporting on different forms of sweat equity and contribution to co-operatives.

We also feature two articles that appeared in the *Society for Co-operative Studies Bulletin* in 1968 with an additional postscript from the 1969 Society for Co-operative Studies conference by John Whitfield and in, 1970, a paper from B. J. Rose. Both can be linked to the *Journal of Co-operative Studies* focus on co-operative principles (issue 52(2)), and also echo current concerns regarding the knowledge and relevance of philosophy and principles for today's co-operators and diverse forms of co-operativism, and motivations and democratic participation of members. The authors of the original papers focused on research in co-operative societies (Whitfield, 1968), which was also reported on at the Society's conference and reported in a subsequent issue of the *Bulletin* (Whitfield, 1969); and the appeal of co-operative societies as co-operative societies and why people want to participate in the democratic control of co-operative societies. Both focus on retail societies.

We complete this *Journal* with two book reviews both looking at managing in co-operatives — one more generally and the other specifically on Korean co-operatives.

**Dr. Jan Myers**  
**Editor**

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