Editorial

Welcome to the summer edition of the *Journal*. We have a series of treats in store that bring into focus contemporary practice as well as look back to historical roots and influences.

The first paper is from Canadian researchers, Rixon and Duguid. Their paper builds on some of the interesting Canadian work around developing co-operative performance measures and benchmarks, particularly in relation to social and environmental impact. While we might argue about some of the interchangeability of terms that they assume (p. 5), nevertheless the discussion focuses on the performative aspects of co-operative difference and the authors suggest that there is much to be gained from comparing co-operative financial and non-financial performance both within and across industry sectors. Yet, they note the lack of available tools and co-operative specific benchmarks. This then is the focus of their paper.

The authors present a review of literature that traces some of the history, development of and challenges associated with benchmarking. From this they identify a number of resources and tools they suggest are suitable for measuring co-operative performance, but may still be lacking when looking for ways to provide or use benchmarking data, particularly around 4 key criteria that the authors deem essential: 1) benchmarks on social and environmental performance; (2) multi-sectoral comparative data; (3) minimal number of key performance indicators (social, environmental, and co-operative) that are feasible for small to medium-sized co-operatives to report; and (4) developed by co-operatives in a participatory manner (p. 13). As a result, they suggest a proposed framework and the remaining part of the paper takes us through the process and development steps behind the participatory exercise to work with co-operatives to develop a Co-operative Performance Index.

Our next article also focuses on performance linked to expectations of corporate social responsibility (CSR). The paper reports on a replication of a study first undertaken in 2008 and repeated in 2016, of members of an Austrian credit union. It is an interesting period to reflect on in terms of the influences of the financial crisis and loss of confidence in financial institutions and subsequent changes in the perception of CSR measures in relation to member value. Over 3,000 customers were surveyed. The initial sample was made up of member customers (884 out of a total of 15,000) and non-member customers (interestingly 2,116 out of 40,000) and the replicated survey 772 and 2,499 respectively. Over time, the importance of CSR measures was seen to increase for members rather than non-members; a generalised rather than specific value-added component of member benefit. Even so, Roessl and Rabong note a dampening of enthusiasm and a perceived cynicism in the impact and authenticity of CSR measures. Equally, there is tension between cost and benefit of CSR in times of crises where some members value the continuation of CSR practices to benefit communities, while others focus on individual cost. This means, the authors suggest, that co-operatives need to think carefully and specifically about what kinds of activities provide added value for members and are seen as either ‘value for money’ or ‘sense for money’ (p. 25), concluding the need for further empirical research on the composition and generation of membership value.

The third article in this issue compares co-operative and non-co-operative organisation of South African wine cellars in the light of reduced numbers of wine co-operatives in the region. Ewart and Hanf ask the question whether this shift — driven in part by the notion that to be competitive and thrive, co-operatives need to convert — has helped wine cellars become more financially stable. They draw on 14 co-operatives and ex-co-operative cases to explore financial stability (using capital ratio and cash flow). Rather than wholesale conversion to an investor-owned company, many of the cellars possess the features of the ‘new generation of co-operatives’ (p. 28), with a steady decline in wine co-operatives — from 71 producer cellars in 1933 to 48 in 2016. At the same time, there have been changes in the quality and quantities of wine produced. The authors identify the different ‘eras’ of development: from regulation’ to the ‘new quality’ era.

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The description of the distinctive features of the South African wine co-operatives is interesting, especially in relation to internal organisation as well as the drive to convert seen as political and a ‘radical break from the past’ rather than purely economic in some instances (pp. 30-31). While the researchers gathered data over 2 years with 14 production cellars, the paper focuses on four cases: two from low-yield districts (one co-operative, one non-co-operative) and similarly two cases from a high yield district. The cases themselves are fascinating pen portraits of the operations, providing both a back story and overview of changes and trajectories over time, and how they are continuing to evolve different approaches to investment, strategic management, production methods, and marketing. What is less clear, it whether organisational form makes a difference. While they suggest that the business and economic rationale behind conversion has not been realised at this point in time, co-operatives have not necessarily shown high performance in all aspects, and that the non-co-operative models may show features of financial instability due to high capital investment, which some co-operatives has avoided.

Following this we have a series of short papers. The first presents another Canadian contribution, this time exploring learning from ‘co-op hotspots’ about policy supports for co-operative development. The authors — Rowe, Peredo, Sullivan & Restakis — look at available literature to explore forms of policy support that are in place internationally to support growth in co-operative sectors. It may be no surprise to some readers, that the co-operative hotspots identified are the Basque region of Spain, Emilia Romagna in Northern Italy, and Quebec, Canada and from this identify key infrastructure supports: co-operative recognition (constitutionally and legally); financing; preferential taxation; supportive infrastructure (federations; co-operative development); and goods and services provision through public procurement.

The second in the series is a paper from Ed Mayo that provides a flavour of a monograph published in 2017 – *A short history of co-operation and mutuality*. And, this paper sets out exactly as the title suggests a review of co-operative and mutual action over time. This takes us wandering from China to the ‘Phads’ of Kolhapur, to the Roman Empire; from workshops and guilds, lending circles, mutuals and farmer societies. From this we appreciate what Mayo gives us glimpses of: “a range of initiatives across cultures and centuries [that] emerge…as possible cases for early co-operation and mutuality” (p. 43).

Finally, and before our book reviews provided by Richard Scott (on the recent publication of Julie MacArthur’s book on energy co-operatives) and Ian Adderley (on Hans-H. Münkner’s monograph on co-operative law), we have two short articles that bring theory and practice together. The first is a recent development to set up a marketing co-operative for professional authors/writers — the Gritstone Publishing Co-operative Ltd. In this short piece, Andrew Bibby explains what and why. Next Teresa Macías and Pablo Pérez Ruiz look at co-operation in action through the experience of the Edinburgh Student Housing Co-operative Ltd (ESHC). ESHC is the largest student-run housing co-operative in the UK, providing affordable housing to 106 members. Here the authors explore living and running the co-operative as a space for teaching and learning drawing on Friere’s notion of popular education, co-production of learning, and critical pedagogy.

Our next issue will be our special co-operative education and in 2019, we will have a special Irish co-operatives issue.

Dr. Jan Myers