

COPAC NOTES
Rebuilding South African Cooperative Movements From Below
As A Movement-of-Movements

Introduction

The purpose of this document is to encourage debate and rethinking on how the cooperative movements can be renewed and built in South Africa. This document is inviting serious reflection and engagement such that a common bottom approach and strategy informs post-apartheid cooperative movement rebuilding. This document recognizes two phases of failed movement building in the post-apartheid context and it seeks to take on board lessons from these experiences for a third phase i.e. a bottom up phase of movement building. The cooperative movement is emerging in a very difficult context in which the market is reorganizing society and state intervention has generally contributed to the demobilization of civil society in post-apartheid South Africa.

The cooperative movement has its roots in production and consumption structures and operates on the terrain of civil society. The thrust of this document and its argument is that state power is important to support cooperative development but the state-cooperative movements relationship has to be a non-partisan and strategic. The state should not aim to control the movement, both ideologically and through resources, but should seek to create the conditions for it to emerge as an autonomous social force in society. Moreover it is not the responsibility of the state to build cooperative movements from above. Cooperative movements have to emerge organically from below through self activity and initiative, even if this takes a long time. Such movements have to develop their own practices of success, learn from their experiences, develop their own language, and have their own identity. It should not be centrally controlled through the state or any political party. Neither should it be swallowed by the market and treated like private business. Cooperatives are social in character, with their own attributes and advantages.

In addition, this document argues from the standpoint of recognizing that the reconstruction and development challenges facing post-apartheid South Africa requires many solutions. Cooperatives and cooperative movements are not going to solve the all the problems facing post-apartheid South Africa. It is not a panacea. Cooperatives will work but under general and particular conditions. The most successful cooperatives, that are genuine cooperatives, have evolved over time and have through learning by doing, problem solving, and by painstaking institutional development have emerged to make a difference in the lives of their members and communities. Solidarity, which is at the heart of a cooperative is not declared, instead it fostered in a painstaking way and through conscious action.

Understanding Cooperative Movement Power

The distinctiveness of a cooperative movement approach to social transformation relates to how cooperatives express and constitute power. In fundamental ways cooperatives can transform how development happens, how class, race and gender works, confront

ecological crisis and even define how the state should play its role. For this latent power to be realized cooperators, activists and the movement has to recognize the following attributes of cooperative movement power.

- **Structural Power** – because cooperatives have the potential to reorganize production and consumption in a society they can redistribute power away from the state and from capital. Cooperatives can capture markets, sectors and even constitute a parallel economy. Intra-cooperative movement relations through networks, links, forward and backward linkages can compose a parallel economy, to that controlled by large monopolies and transnationals. There are many examples of this on the African continent and in other parts of the world. This is structural power and cooperatives need to harness this to create space for their needs and solidarity relations to prevail over that of the market and ultimately capital. In short, cooperatives have the potential to reorganize society without asking the powerful for permission.
- **Movement Power** – cooperatives are not islands; a cooperative movement is a movement of movements. Their strength lies in member based solidarity and in the cooperative relations they build amongst themselves. A cooperative movement is a transformative movement, which can shift power in society through its collective strength. This means the power of primary, secondary, sectoral and tertiary structures all add up to movement power. Together with alliances with other social forces and movements, such power can affect progressive change. Such power can impact on society ideologically, economically and socially.
- **Direct Power** – buttressed by structural and movement power the cooperative movement can also utilize its direct power. Its networks of influence, reach and presence can ensure cooperative movement interests impact on society and progressive change. Grounded in its independence and autonomy various direct forms of power and tactics can be utilized by the cooperative movement to shape society.

Principles of our Approach To Ensure Cooperative Empowerment and Movement Rebuilding From Below

From COPAC Forums, conferences and research done various principles have emerged that could inform and guide an attempt to promote cooperative empowerment and rebuilding of the cooperative movement. These are:

- A genuine cooperative is one that works with ICA principles and values both in theory and practice;
- It is grounded in bottom up practices of accountability, communication and solidarity;
- State support should be enabling and strategic and not controlling;
- Cooperatives and the movement must be organized sectorally;

- Wider alliances amongst social forces to be based on mutual respect for independence of each formation;
- Support relationships must compliment and be informed by internal movement capacity building and training;
- International solidarity must be harnessed to compliment autonomous and self reliant capacity and advance cooperative based transformation of the world.

What are we Against ?

We do not believe cooperatives are a stepping stone for developing capitalist businesses. We do not believe that cooperatives are about developing the next generation of capitalists. Hence this is one of the fundamental disagreements we have with the BEE approach to cooperatives and governments attempts to reduce cooperatives to Small and Medium Enterprises (SMEs). Cooperatives are an end in themselves. We are striving to build a cooperative movement, sector and economy within South Africa

We do not believe cooperatives and the movement are about promoting the personal interests and political ambitions of political organizations. They are not a panacea that should be peddled to the people in a populist way. We believe a genuine cooperative and movements needs to be self driven and subject to certain pre-conditions for success. Cooperatives and the movements need to define those pre-conditions through learning from practice, experience and institutional adaptation.

Lessons from the NCASA Experience

The National Cooperative Association of South Africa emerged in 1996. It was supported by the Canadian Cooperative Association at its inception. It was built in a top down way. By early 2000 it was in trouble. Subsequent state support was secured (about R6mn) during the period 2001-2003. The new NCASA leadership failed to utilize this support effectively and today NCASA is moribund. It does not exist.

Many reasons explain the failure of NCASA:

- It was an all comer model. Cooperatives were not organized through sectors and through bottom up solidarity;
- It was top down and hence accountability, communication and even leadership practices did not respect member voices and member power;
- The state attempted to control it through resources;
- It did not have a clear movement building strategy. Instead it considered itself an extension of government, an incubator for cooperatives.

- Political party attempts to also centralize control of the movement also came through strongly. This split and divided the movement internally.
- Finally, the movement did not express itself in terms of its own identity. It was seen as an instrument of ‘Black Economic Empowerment’ rather than as a vehicle for ‘Cooperative Empowerment’. Hence its autonomy and independence was compromised. It also emerged as a racialised force and could not unify black and white cooperatives. More sharply, those who champion BEE and its various versions believe they can make a claim on the cooperative movement; hijack it!

Towards a Strategy For Cooperative Empowerment and Bottom Up Movement Building

Cooperative movement building from below should not be understood as a bureaucratic task or a mechanical exercise. It has to emerge from experience, drawing on lessons learnt from practice and based on an understanding of what is possible under current conditions. To build the cooperative movement today means to struggle for independence, self reliance and cooperative power. As conditions change new challenges and imperatives come to the fore. A genuine cooperative movement has to define its own way, make its own mistakes and take responsibility for its destiny.

In this context, eight key elements and tasks come together to advance this approach to cooperative movement rebuilding:

- Building cooperative movement capacity for sustainability – rather than working towards an apex body and other such structures, the main objective of the cooperative movement in this period should be to build a network of support organizations, capacity in sectoral bodies and secondary cooperatives. At the hub of this needs to be a national cooperative movement college. Such a college needs to be movement controlled, owned and driven. Such a focal institution to be developed to bring together capacity building for cooperatives as a whole in South Africa. Such an institution to develop a cooperative cadre like cooperative activists, managers and other key personnel, including train leadership;
- Using research to identify cooperatives, learn about cooperative practices and build solidarity links along sectoral lines. It is important to build on whats there and whats working. The qualitative strength of the movement through consolidation is key in this period. Quantity, a mass based cooperative movement, must be built around a vibrant dynamic core of genuine, viable and experienced cooperatives. Without this the cooperative movement will be prone to degeneration, manipulation and self destructive impulses.
- Organise the movement on a sectoral basis. Learn from the successes of SACCOL and strengthen whats there. Through research support and bottom up links to start building sectors. These sectors need to be organized locally,

regionally and nationally. This will provide a basis for the cooperative movements to come together around sectors, in different geographical areas. These sectoral bodies to be the pillars of support for primary cooperatives.

- The cooperative movement must develop its own identity based on its own values and principles. It needs to develop a language to champion cooperative based empowerment in society based on its own ideology. It needs to challenge populist, BEE, neoliberal and other attempts to appropriate cooperatives. The post-apartheid cooperative movement must promote cooperative empowerment such that cooperatives build non-racial unity, confront gender exclusion and encourage sustainable environmental practices.
- Legal reform to be encouraged such that a cooperative regulatory system develops that supports the development of genuine cooperatives. Sectoral based reform to be encouraged and campaigns developed for legislation to emerge from below. Such legislation to be supportive and enabling rather than controlling. The state to also be challenged from below to build capacity to implement such legislation effectively.
- The cooperative movement must build solidarity links with other progressive social forces in society that support genuine cooperative development. Joint activities, support relations and a common program to be developed where that is possible to promote cooperatives in a bottom up way.
- The emergent cooperative movement must use computer and information technology as a weapon in its struggle for autonomous movement building. The email, websites, blogs and other media resources must be used to organize from below. A virtual network of cooperators, cooperatives and movement organizations must be encouraged. The cooperative movement must draw on the potential of this technology to enhance cooperative power.
- The cooperative movement in South Africa must build stronger ties with the international cooperative movement. To draw on its strengths and capacities to support bottom up movement building. Such movement to movement links to be encouraged at a sectoral level and between support organizations.

Conclusion

This document does not seek to provide all the answers to the challenges facing the cooperative movement in post-apartheid South Africa. However, it does want to prompt collective self-reflection so that we learn from our immediate past so as not to repeat mistakes. Such an approach is about conscious activism; the key to rebuilding the cooperative movement in South Africa as a movement-of-movements. We also need to recognize that the cooperative movement in post-apartheid South Africa does not belong to the state or any party. It belongs to

cooperators and cooperatives. This intervention is about taking cooperatives and cooperative movements back to the grass roots!

It also hoped that the ideas in this document would be debated and shared widely. We cannot take short cuts going forward. Formidable challenges lie ahead and only painstaking, systematic and bottom up movement building can ensure a post-apartheid cooperative movement emerges to play its role. Such a movement-of-movements must stand on its own feet to make a difference. It must harness its structural, movement and direct power to transform society.