

Workers Cooperatives for Local Development and Decent Work

*A Contribution to the VIth CICOPA World
Conference (Cartagena, 19 Sept 2005)*

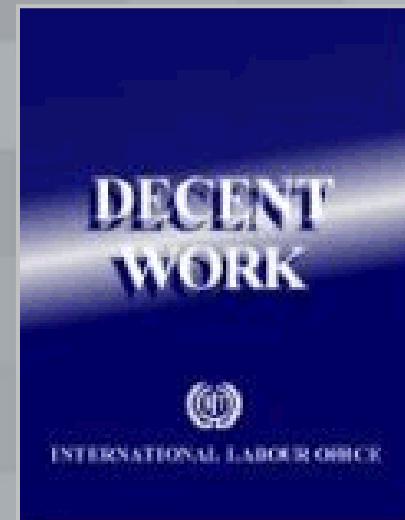
Juergen Schwettmann, ILO

Overview

- The return of the “local”
- Cooperatives and local development
- Some issues for the future.

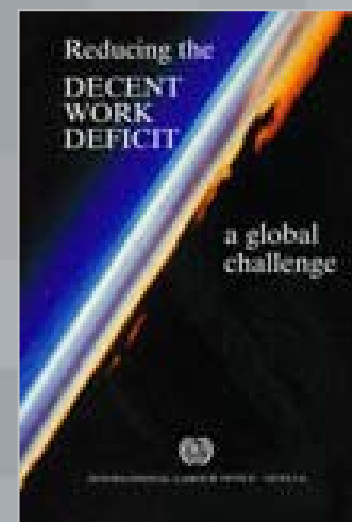
Decent Work: 1999

- **Emphasis on local needs, local aspirations, local resources, local authorities, local networks;**
- **No systematic link between Decent Work and local development;**



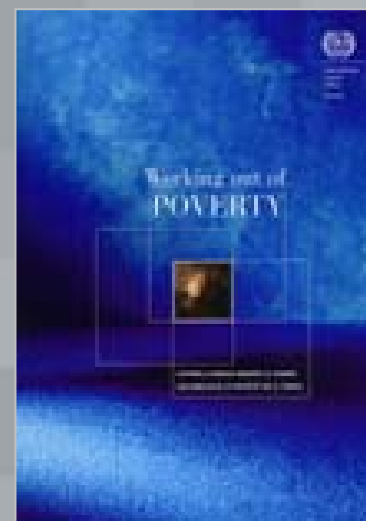
Decent Work Deficits: 2001

- **Linking Decent Work to the poverty debate;**
- **Area-based development highlighted as an example of integrated approach;**
- **Link between local, national and global;**



Working out of Poverty: 2003

- Local development is key;
- Importance of local governance;
- Strong emphasis on empowerment, participation and organization;



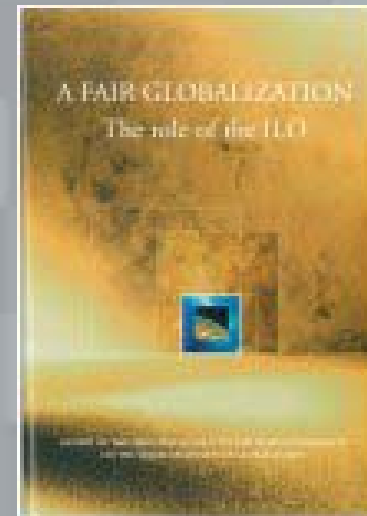
Fair Globalization I: 2004

- Link between the local and the global;
- « Beginning at Home »
- Emphasis on empowerment of local communities;
- Local traditions, culture and identity;



Fair Globalization II: 2004

- « Decent Work in Local Development »;
- Notion of a « local decent work agenda » ;
- Importance of civil society;



2006/07: Local Development as a Strategic Outcome

Strengthened capacity of ILO constituents and key partners to apply employment-centred, integrated local development strategies that reduce poverty and fight social exclusion among women and men, including in the **rural** and **informal economy**

Local Development and Cooperatives

Local Development:

- is area-based and uses endogenous resources
- is bottom-up and participatory
- is integrated and comprehensive
- facilitates coordination and partnerships
- links with national and international levels
- is not a blue print
- takes a long-term view

Cooperatives:

- are built on a common bond and members' resources
- are established and managed democratically
- address economic, social and societal concerns
- build horizontal and vertical networks
- affiliate with national apexes and the global bodies
- are tailored to member needs
- do not seek short-term profits

Cooperatives in LD start-up

- **Cooperatives organize participatory processes;**
- **Cooperatives represent informal economy operators and workers in the LD process;**
- **Cooperatives become involved in territorial diagnosis;**
- **Cooperatives may help organizing LD fora;**
- **Cooperatives may become members of Local Development Agencies;**

Cooperatives in LD implementation

- **Cooperatives improve productivity:**
 - *Shared service coops of SMEs;*
 - *Workers' cooperatives in industry and services;*
 - *Data processing cooperatives;*
- **Cooperatives provide financial services:**
 - *Sustainable micro-finance schemes;*
 - *Basic health insurance through micro-insurance;*
 - *Local savings mobilization;*

Cooperatives in LD implementation

- **Cooperatives facilitate market access:**
 - *Agricultural marketing cooperatives;*
 - *Fishery cooperatives;*
 - *Retail, consumers and wholesale cooperatives;*
- **Cooperatives provide community services:**
 - *Housing cooperatives;*
 - *Social cooperatives;*
 - *Community care cooperatives;*
 - *Electrification and telecommunication cooperatives.*

Some issues for the future

- **Promotion of shared service cooperatives;**
- **Greater importance social and community services at the local level;**
- **Maintaining jobs in bankrupt enterprises;**
- **Cooperatives in the changing world of work?**
- **The Internet as a common bond?**
- **Multi-stakeholder cooperatives to promote local areas?**

Mr Somavia in Oslo



... as seen by people, it appears that everything is done to facilitate the global – global trade, global communication, global finance, global investments.

But people and families live locally, so they feel there has to be a balance between promoting the global and promoting the local.

So employment, social protection, local development, enhancing local resources, social justice, all of this is at the very heart of people's concerns. And, of course, all of this is at the heart of who you are.