

Multi-stakeholder cooperatives as a means for jobs creation and social transformation

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Motivation



- Multistakeholder cooperative form is more prevalent than thought
- Literature talks about MSCs as the ‘new’ cooperative form
 - Based on existence of legal frameworks for MSCs (Italy, Spain, France, Canada...)
- Labour as the key factor in forming MSCs



Labour is the principal factor for transforming nature, society and human beings themselves.
(Arizmendiarrieta, in Herrera 2004)



Multistakeholder governance



- Multiple types of members who own and control the cooperative
- Considered costly in economics literature (member heterogeneity)
- In reality, complexity demands MS involvement and is more effective than unitary boards (homogeneity of purpose)

Inclusion of labour in MSC



- MSC form often results from inclusion of labour in ownership and governance
- But also labour (worker-members) expanding voice to other stakeholders, or
- New MS ventures

Why MSC?



- MSCs explicitly address the internalization of externalities into the mission of the cooperative enterprise
 - Moves away from the ‘ownership’ and investor focus to usership/impact and P7

MS advantages



- MSC longevity, growth and endurance
 - the purpose is more cohesive than thought
 - multiple stakeholders engage through reciprocity and solidarity, rather than competing interests
- Turnbull (2002)
 - multi-stakeholder network governance has competitive advantages, compared to unitary boards where access to information is limited

Transforming socio-economic relations



- Transformative potential of MS governance
- Advantages:
 - access to resources, diverse voices and concerns
 - Internalizing the ‘externalities’
 - solidarity at the heart of social cooperatives, and in particular those who view labour as a vehicle for social transformation (or, a social asset)
 - motivates social innovation



*Transformation requires attacking the
root causes that generate and
reproduce economic, social, political
and environmental problems and
inequities, not merely their symptoms*
Utting 2016





Thank you!
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