

**Speech to The General Assembly of the United Nations**

**31<sup>st</sup> October 2011**

**on the occasion of:**

**The Launch of the International Year of Co-operatives 2012**

**by:**

**Dame Pauline Green  
President  
International Co-operative Alliance**

Your Excellency, the President of the General Assembly

Honourable Delegates to the General Assembly

And, if I may be allowed, to the many co-operative colleagues that have travelled here from all over the world on this important day for our movement, may I give our traditional greeting:

Dear Fellow Co-operators.

**‘Founded on the principles of private initiative, entrepreneurship and self-employment, underpinned by the values of democracy, equality and solidarity, the co-operative movement can help pave the way to a more just and inclusive economic order’**

The words Ladies and Gentlemen of the former Secretary-General of this august organisation, Mr Kofi Annan.

In those few words he encapsulated the co-operative model of business and the capacity it has, in the words of your own slogan for this International Year, to build a better world.

**‘Co-operatives contribute directly to improve the standards of living of half the World’s population.’**

The words Ladies and Gentlemen from the Background paper for the United Nations World Summit on Social Development, in Copenhagen in 1995.

Words built upon facts.

They reflect the fact that for nearly 200 years, co-operatives have been creating jobs across the world – **currently over 100 million of the world's citizens are employed within a co-operative.**

They reflect the fact that co-operatives since their inception have not sought to ape their corporate competitors and maximise their profits, but rather to meet the needs of their member owners – **no wonder then that today the co-operative movement is owned by nearly one billion people across the globe.**

**And they reflect the fact that the co-operatives have been a powerful player in embedding civil society across the world through the powerful medium of the creation of member-owned businesses.**

Businesses built on the principles of sound democracy, a commitment to an economic return to members on their trade with the business and not the size of their share holding, and businesses having a wider social engagement as a core part of their DNA.

For nearly two centuries we have been helping to reduce conflict, build community cohesion, build skills and expertise, develop local leadership potential, and supporting women into positions of economic activity and leadership in their communities - all developed with the intellectual underpinning of the value of collective endeavour in sustainable member-owned, local enterprises – **in effect co-operatives have taken millions out of poverty with dignity, by helping them to build their own co-operative enterprises.**

Ladies and Gentlemen, our commitment to our democratic and social agenda **is built on a sound and successful member-owned business model**. What is more, a business model that can compete successfully in the market place with other forms of business and thrive.

Today, as this General Assembly launches the International Year of Co-operatives, the International Co-operative Alliance is publishing its *Global 300* - the list of the largest 300 of our many hundreds of thousands of co-operatives across the world.

**Together these 300 co-operatives are worth 1.6 trillion US dollars**, equivalent to the 9<sup>th</sup> largest economy in the world, and they operate in some of the most competitive industries in the world, banking, insurance, agriculture, retail, health, utilities and others. The 300 list includes co-operatives from 25 different countries.

Our challenge Ladies and Gentlemen is to make sure that more people in decisions-making positions, or those who exercise influence in the political or economic spheres, or indeed in the media, know about the scope, size and scale of the co-operative sector of the economy, and the work it does to sustain and build communities across the world, and its capacity to do so much more.

The collapse of the financial sector of the global economy has had tragic results for families and communities in many parts of the world. It is well documented now, not least by The International Labour Organisation, that there is one part of the financial sector that has continued to grow its asset base over the last four years, where account holders and deposits have grown and which has continued to lend, and indeed grown its lending to families and businesses – co-operative financial institutions of course. Co-operatives are people based businesses, and unlike their competitors are not constitutionally bound to work to maximise profits for its shareholders.

This point has been made very strongly here this morning by the speakers at our Round Table *Co-operative Enterprises Build a Better World : Contributions to Sustainable Development*.

Each of the contributors made a compelling case that the success, longevity and growth of their co-operative depends on a strong and abiding relationship with their member owners. On their trust and confidence in the priorities of the business that they own, in which they can play a significant role, and in which together they are the key stakeholder.

And that is the same whether the co-operative is one of the earliest forms of co-ops – banking, retail, insurance or agriculture, or whether it is one of the leading edge, radical new community co-ops in the developed world, or a crucial small village savings and credit co-op in Africa.

What was also significant from the speakers this morning was the way in which they had a common case to make, from Mondragon in the Basque country of Spain, to Rabobank in the Netherlands, or the Supply and Marketing Co-operatives in China. Each of them showed that regardless of size, each has a clear and continuing commitment to international development, and are actively engaged in what they consider one of the commitments that comes with being a co-operative.

That work would be much easier, and much more productive, however if the co-operative model of business was taken more seriously, and each of the contributors using their own experience made the case for three key points:

**Firstly, member-owned co-operatives are a serious business model – with scale.** And so,

**Co-operatives are asking that the specific and unique legal and financial framework of a co-operative is fully**

**acknowledged and recognised in public policy and regulation.**

**Secondly, member-owned co-operatives are values led businesses.** Our values are integral to our business model, not just a marketing tool in the shape of a corporate social responsibility report once a year – they define our identity and our brand – they are part of our DNA.

**Co-operatives are asking that their model of business is given equal promotion with the stock holder model,**

And

**Thirdly, our governance model is people led.** At a time when people – especially young people whom this recession is hitting so cruelly – are cynical of the political and economic models that dominate their lives, when they are looking for a voice, in North Africa, in Wall Street and across the world, and when they are looking for impact, the co-operative is not only an effective governance model, it is a compelling one.

**Co-operatives are asking that there should be a greater diversification of the global economy, to ensure a level playing field for the member-owned model of business.**

Let me conclude President by saying that our movement – because that is what it is – a movement, is conscious of the great gift that the UN has given us with this International Year. A gift that recognizes the co-operative impact on the socio-economic development of the world, and its capacity to so much more.

We wish to put on record our particular thanks to the Government of Mongolia, who put the original proposal for this Year on the table, and to the unprecedented large number of Governments that put their signature on the resolution to give effect to the Year.

It is an honour and a privilege for me to take the podium in this iconic chamber Ladies and Gentlemen. I am proud to do so in the name of the one billion co-operators across the world, and I pay tribute to the great work that they do across this world to make it a better place.

**Together co-operatives will work to make this International Year a powerful restatement of the co-operative ideal, and it is our aim Sir, that on the 31<sup>st</sup> December 2012 we will be able to pivot from a successful International Year of Co-operatives to a decade of co-operative growth.**

Thank You.

Ends.