The Irish Co-operative Movement in Contemporary Context

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Introduction

Co-operation is the basic social process. According to Bolger (1977), the co-operative movement is 'a more formal organisation of people with similar ideals, consciously working together for common aims and guided by a set of principles which distinguishes their activity from other forms of human endeavour'.

Businesses owned and controlled by its members, four types of co-operatives are promoted by the Wales Co-operative Centre. Worker's co-operatives are owned and controlled by the people who are employed in them with no external involvement. As corporate trading organisations, community co-operatives are set up by a community either defined by a geographical area or special interest. Traditionally, they are established as companies, societies or companies with charitable status. Secondary co-operatives are formed when a group of businesses or individuals come together to share a common facility on a co-operative basis. And the last is financial co-operative - credit unions.

The modern formal co-operative movement dates from 1844 when 28 poor weavers came together to open a small retail shop in Rochdale. Today, the Rochdale principles effectively guide the philosophy and conduct of co-operative societies all over the world. Representing the worldwide co-operative movement, the International Co-operative Alliance (ICA) identifies 'Seven Co-operative Principles' - voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; co-operation among co-operatives; and concern for community. And it also identifies the basic co-operative values as self-help, democracy, equality, equity, and solidarity. Community co-operatives, the focus of this paper, conform to the co-operative principles endorsed by the ICA and subscribe to the basic values contained in the principles and fit the ICA's designation of a co-operative organisation.

In the presentation of the paper a sectionalised format is used. The purpose of this paper is to describe the Irish co-operative movement in contemporary context. To achieve this, I will begin with an overview of Irish community development movement in the first section. And then the relationship between community development and co-operative movement is presented in section 2. Emphasis is focused on community co-operatives. A case study is undertaken in section 3. The discussion is then completed with recommendations and conclusions.

1: Irish Community Development

The word community is a popular concept which is connected to togetherness and co-operation. It emphasises what people have in common rather than their differences.

The term 'community development' is generally used as a convenient shorthand for voluntary efforts of groups and individuals who are seeking to improve their local areas or are working to bring about improvements in the position of the underprivileged and disadvantaged members of society.
In the United Nations' model, community development is 'a process designed to create conditions of economic and social progress for the whole community with its active participation and fullest possible reliance upon the community’s own initiative. (Thomason, 1962)

A more detailed definition is provided by Department of Health and Social Service of UK in 1997.

'Community development is directed in particular at people who feel excluded from society. It consists of a set of methods which can broaden vision and capacity for social change, and approaches, including consultation, advocacy and relationships with local groups. It is a way of working which is informed by certain principles which seek to encourage communities - people who live in the same areas or who have something else in common - to tackle for themselves the problems which they face and identify to be important, and which aim to empower them to change things by developing their own skills, knowledge and experience and also by working in partnership with other groups and with statutory agencies. The way in which such changes is achieved is crucial and so both the task and the process is important.'

From the definitions above, community development is valuable for enhancing local democracy, for encouraging collective action, and for building community identity and structure. (Combat Poverty Agency, 1989)

In Ireland, community development and allied activities have expanded and developed in many different directions. In order to explain recent trends in Irish community development, it is important to indicate in more detail the wider political and economic background.

Ireland is an island to the west of Great Britain and off continental Europe. The independence of the Republic of Ireland (ROI) from UK in the 1920s partitioned Ireland into two parts. Northern Ireland which consists of six Ulster counties is governed by the UK, while the rest three Ulster counties and other three provinces belong to the Republic of Ireland. Because of this, the discussion will be divided into two parts.

(1) Community Development Movement in ROI

As a post-colonial society and its global position on the periphery of the European Community (EC) economy, ROI, contributed to two community development movements: Plunkett’s agricultural co-operatives and Muintir na Tire’s Parish revitalisation programme, has changed rapidly since 1960s. (Cinneide and Walsh, 1990)

Communities have been used as part of the solution to many Ireland’s economic and social problems. Defining community development as ‘organised efforts by locally based groups of people, who share or believe they share common interests to influence change and create public benefits’, Chris Curtin (1997) concludes community development in the Irish Republic in terms of a movement from volunteer dominance and suspicion of the state to that of predominance of a state/community partnership model. Even though community development in ROI can be traced to the agrarian and co-operative movements of the 19th century, Muintir na Tire was the first national movement which emphasised the possibilities of local self-help strategies in solving societal problems. To be aware of
the critical issues in partnership, participation and representation, Muintir na Tire adopted its new approach to community development in 1971, which emphasised on elected community councils working in partnership with the state in tackling local problems. Also, in the 1970s a number of state departments, typically in conjunction with the EU, became interested in community development such as the Department of Social Welfare’s Poverty Programme No. 1, 2, 3. Radicalism had given way to co-operation with the state. Community groups are seen by the state as a means to the achievement of some end such as job creation or as an end in themselves. However, Community groups in ROI have suffered from their uneven spatial distribution, organisational weakness and from a lack of capacity to assert themselves as a nationally organised interest group, and also from a failure of community groups to establish for themselves a credible record in the area of enterprise and economic development.

Cinneide and Walsh (1990) addresses four distinct strategies in community development practice in Ireland. The first is community social services councils. They are community-based social services operated by local organisations. The catalysts were the Department of Health and the Catholic Church. Councils provided a range of social services for deprived groups. As these councils expanded, so did their involvement with the state increase. The second strategy is community development co-operatives. Due to the extensive poverty in the 1970s, the next strategy was community anti-poverty projects. The National Committee on Pilot Schemes to Combat Poverty (NCPSCP) was established in 1973 to tackle poverty. The NCPSCP funded over 20 projects in rural and urban areas, working with powerless groups: the unemployed, tenants, welfare recipients, small farmers and fishermen and so on. They initiated a movement for structural change in association with disadvantaged communities. After NCPSCP was disbanded in 1980, a statutory anti-poverty agency, the Combat Poverty Agency (CPA), was founded to play the similar role. The fourth, community employment and training centres, emerged with the growth in unemployment in the late 1970s and 1980s. The community unemployment projects expanded dramatically. However, the activities of these groups varied immensely, from a concern purely with job creation to wider concerns such as educational courses, personal development and welfare rights. The state played a major role in focusing community responses to unemployment into a more limited labor market outlook.

(2) Community Development in N. Ireland

Divided by history, culture, religion and politics, there is considerable separation of two communities of N. Ireland - the Protestants and the Catholics. The community development movement roots deeply in the issues and problems facing Catholics and Protestants in their daily lives. The experience of community development in the 1970s was a striking example of the British genius for taking the radical edge off radical community initiatives by creating forms of co-operative machinery. Many community groups were, in effect, part of the state welfare system. Having a background of continuing violence and sectarianism, community development in the 1980s and the 1990s is characterised as follows: (Lovett, Gunn and Robson, 1994)

a) the growth of issue-based work, and the increasing involvement of the voluntary (as distinct
from the community) sector.

b) a major extension in the government’s involvement in the local community through its Action for Community Employment scheme (ACE).

c) the emphasis on ‘community’ care and services by the Health and Social Services Boards and their involvement in the community.

d) a realisation that community development need to be encouraged in the impoverished rural areas of N. Ireland.

e) the increasing role of women and women’s groups.

f) the growing emphasis on community economic regeneration and the support available for such work from government, the European Community and the International Fund for Ireland (IFI).

g) the establishment of a new Community Relations Councils.

Community development work was fragmented and increasingly co-opted by the state as a vehicle for alleviating unemployment or divesting itself of its responsibilities for community service and community care.

Rolston (1997) summarised the community development in N. Ireland in the last three decades in three time-phases.

Phase 1: Euphoria 1970–1975

Because of the conflict in the N. Ireland, the Community Relations Commission was formed by a British Labour government in the late 1960s. The Commission hired Community Development Officers to work in local areas to encourage the growth of community groups. By 1974, there were over 850 community groups in N. Ireland. However, the involvement of nationalists became a point of contention.

Phase 2: Bureaucratisation 1975–1985

Because of the disband of the Commission and the fall of the power-sharing executive in 1974, the Northern Ireland Office (NIO) underwrote the Cooper’s decision, and handed responsibility for grant-aiding community groups to the Department of Education. The government agenda became one of bureaucratic management of community resources rather than the encouragement of independent and vibrant community groups. Community groups were seen as secondary providers of services which the government had to or ought to provide anyway.


A system of political vetting of community groups, which was begun by British Home Secretary Douglas Hurd in 1985, caused a number of community groups, for example, the creche in Belfast’s Conway Education Centre, Conway community Enterprises etc., lost funding for ACE workers. On the basis of a simplistic and highly dubious distinction between ‘respectable’ and ‘non-respectable’ groups, the measure of eligibility for funding was not the value of the work undertaken nor the commitment of the workers. And the decision of the NIO and its satellites was final. This was patronage with a clearly political purpose.
Phase 4: Incorporation 1994– present

Supported by European Union rather than the British government, partnership boards exist for the distribution of funding from the International Fund for Ireland, the Peace and Reconciliation money, etc. It seems that the community movement has finally arrived. Its representatives have a key role in decision involving large sums of money. The state ultimately controls the purse strings, but the day-to-day management of community initiatives and services is left to community representatives. There is the semblance of independence in this kind of neo-colonial situation.

2: Community Development and Community Co-operatives

As part of community development, community co-operative has its own speciality. Figure 1 gives us a clear picture of the relationship between community and community co-operatives.

A 'community co-operative', alternatively known as 'multi-functional', 'multi-purpose' or 'development' co-operative, is territorially defined. It is the group or organisational unit on which the co-operative is based on the population of a particular geographic area. The community co-operative engages in a number of different activities under one management, which include social and cultural as well as economic activities. (Stettner, 1981)

In his paper 'The role of Co-operatives in peripheral communities', V. Tucker develops a definition of community co-operatives. These organisations were essentially local development organisations organised co-operatively and combining processes of community development, co-operative formation, and political mobilisation. A central concern of these movements was the creation of greater local autonomy and the decentralisation of government planning and decision-making. It is the combination of community development strategies with economic development and employment creation through establishing locally controlled co-operative enterprises which characterise this form of co-operative. They are locally specific, and are structured as umbrella organisations for a wide

![Figure 1: The Relationship between Community and Community Co-operatives](Source: Wales Co-operative Centre)
range of single purpose enterprises with social, cultural and political projects. They are political in that they struggle for greater government recognition of their particular problems but also working for greater local involvement in planning and decision-making. They have diverse goals and operate a diverse range of enterprises at local level. And they are open to the entire community.

Community co-operatives originally emerged from the Gaelic speaking regions of the West of Ireland in the mid-1960's to protect the Irish language-speaking minority. A total of 22 community development co-operatives was established with the aim of exploiting the natural resources of their locality through farm and fish development, tourist development and production of handicrafts, and to provide community facilities and services such as water and electricity supplies, shops and community centres. (Breathnach, 1986)

More recently the community co-operative concept has been applied by community organisations and state agencies in urban and rural areas outside the Gaeltacht regions such as N. Ireland, Scotland and Wales. According to Stettner (1981), community co-operatives tend to be located in remote isolated rural communities, where populations are small, ranging from 100 to 10,000. Moreover these are communities in which populations were rapidly declining before the advent of the co-operatives, with a large migration to urban areas and to other countries. In general over half the families of the communities are part-time employed in farming or fishing, unemployment is far above the national average. Because of their poverty and their isolation, many of the communities lacked basic services and amenities—good roads, electricity, piped water and sewage facilities, shops, post offices, school, garages, hospitals, pharmacies, adequate housing and community recreational facilities.

Also, Stettner (1991) identifies five basic features of the community co-operatives in the rural areas.

(1) Motivation: this included serious unemployment, poverty, substantial out-migration resulting in a dwindling and aging population, a felt sense of deprivation in terms of local services and amenities and a strong sense of social cohesion based on remoteness and isolation, and a distinctive culture.

(2) Initiators: it was the responsibility of local development groups who set up the co-operatives.

(3) A multi-purpose co-operative enterprise: the community co-operative was initially secondary servicing organisations designed to promote viable single-purpose co-operatives adapted to various social and economic needs of the community, to provide these enterprises with technical, financial and training services, and to ensure that they were mutually supportive to each other and to the community.

(4) External support such as government agencies, voluntary bodies, academic institutions, other parts of the co-operative movement and private firms.

(5) Close links to the community: it is owned, planned and controlled by residents of a defined geographic area, and serves essential community needs. It is funded in part by members of the community, and reinvests a major part of its profits in development of the community. And also it relies to some extent on the efforts of volunteers.

In the next section, we will use a community enterprise - Mid Ulster Enterprise Ltd, Creggan, which has shown some basic features of community co-operatives, as case study to illustrate the
community co-operative in N. Ireland.

3: Case Study - Mid Ulster Enterprise, Creggan Ltd.

Creggan is located in the heart of Tyrone near Omagh. The small community of some 600 people (120 families) is mainly engaged in farming and construction. The low quality bog land gives the relatively scarcity of local employment opportunities. This made local people have to travel to Belfast and Omagh for work. Because of their poverty and isolation, Creggan lacked basic services and amenities - good roads, electricity, telecommunication facilities, shops, post offices, schools, restaurants, bars and community recreational facilities.

The population started to decline in the 1970s. In 1972, one of the two local primary schools was closed because of population declination. This led to the establishment of a community association. To revive the local economy, the very early stage of community association was around social pressures because of lack of social entertainment. It also gave local people some simple training course in social skills such as first aid. In 1981, a community centre was built, followed by several clubs. The economic development group was set up in 1986. To address the problems of rural decline, lack of education facilities, emigration and unemployment, Mid Ulster Enterprise (MUE) was established in 1988, which didn't begin to work until 1991.

The organisation adopted co-operative principles and owned by shareholders, with eight people as board of directors. There are five full-time and 25 part-time staffs. When the shareholder owns more than 100 share (1 pound per share), he/she becomes vote member. The election is held every year. Now there are 60 shareholders, and 50 part-paid associate members. Over 90% of local people is covered, total capital achieves 1.5 m pounds.

Figure 2: MUE Management Structure

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SHAREHOLDERS

BOARD OF DIRECTORS

BUSINESS SUB COMMITTEE

MANAGER

Administrator

Creggan Education and Research Services (Cross border cultural links)

Mid Ulster Products and Services

Staff & Pickers

Ancillary staff

Restaurant

Part-time Staff
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Source: Annual Report 1996-1997 issued by MUE
Visitor Centre, included restaurant/bar and traditional Irish cottages, was started in 1994. Its main target is local people. It supplied local people a social area to have social life and also to get education resources such as folk stories and environmental studies. Besides local people, it also targets visitors and professional groups.

One distinct feature of MUE is their focus on education. As we know, one of serious problems in rural areas is a large migration. The young generation are ashamed to mention their hometown because of lacking basic knowledge. How to build up youth's self-esteem? What MUE is doing is to provide special environmental studies to the local primary school, to establish a museum and community places such as visitor centre and restaurant, and also to build relationship with other areas. 'An Creagan', an environment-workbook for primary schools, is used by all primary schools in N. Ireland.

Now there are three main parts under MUE, as shown in Figure 2. Creggan Education and Research Services built up the cross border heritage and cultural partnership with Arrow Community Enterprise from County Sligo, Republic of Ireland. Consolidating its popularity with local people, the restaurant has been an essential complementary addition to the facilities and services offered at Visitor Centre. Because of the failure of craft shops, Mid Ulster Products and Services began the mushroom production to try to create jobs for local people.

Conclusions

In this paper I attempted to illustrate the context of contemporary co-operative movement in Ireland. I focused particularly on the community co-operatives by using the case of Creggan which has some basic characteristics of community co-operatives. This study gives us an understanding of community development, especially community economic development.

To revive local economy, the first step is to build up local people's self-esteem. In this case, MUE recognised the importance of education. This was a good start. However, they are still looking for the ways to create jobs.

Concerning job creation, it means that, from economical point of view, funding also has to be discussed. It is the common problem that many communities face. The relationship between the community and the government is very complicated. Most communities depend heavily on funds. Since all the funds are unguaranteed, it makes community development unstable. Also, the community face with the dilemma of depending on government or other institutions for financial aid while pursuing autonomy. However, most communities, because of their geographical isolation or poverty, don't get enough support or even enough attention yet.

Finally, concerning education, it is on the way to next step. At the first step, some communities succeeded in building up local people's self-esteem by discovering the good points about their communities. However, due to lack of member's participation, some community development movements failed. The failure of co-operative in Europe because of bureaucratization has made us realize the significance of member's participation. To achieve the co-operative governance, education is essential to arouse people's awareness. Only education can make them recognize that the subject of community development is local people themselves — the involvement or participation of the whole
community. Toward next stage, education for empowerment is important.

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謝 辞

小論は、交換留学生としてイギリス北アイルランドのアルスター大学（University of Ulster）で学んだ成果の一部である。このような貴重な機会を与えていただいた北海道大学教育学部に心より御礼申し上げます。