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Book Review

The Nature of Cooperation. By Jack Craig. New York: Black Rose Books, 1993, 254 pp.

This book can be understood by recognizing the conflicting tensions embedded within it. There are at least six. They include: (1) contractual versus directed cooperation, (2) service versus comprehensive cooperation, (3) bureaucratic logic versus cooperative logic, (4) centralized versus decentralized decision making, (5) democracy versus efficiency, and (6) state directed, top-down cooperation versus grass roots, bottom-up cooperation. For discussion purposes, I present these tensions as dichotomies, though, empirically, they are better understood as existing on continuums.

Craig writes from a social idealist position, seeing values as the basis of much of social organization. The ideas of equality, equity/social justice, and mutual self-help/assistance are understood as values that undergird commitments to cooperative principles and provide rough guides to their diverse and global applications. The non-sociologist reader may also find it helpful to remember that the discipline of sociology places inequality and power differences at the center of much of its analysis. Craig is no exception in highlighting class, gender, race, and center/periphery disparities.

Craig approaches these areas of conflicting tensions as follows:

1. *Directed versus contractual cooperation:* Under directed cooperative arrangements, organizational structure and goals are pre-established. Individuals within an organization are directed, or expected to comply, in a manner that helps achieve organizational goals. This type of cooperation is typified by authority and decisionmaking hierarchies within various bureaucratic organizations, including political governments. Contractual cooperation exists where there is explicit agreement among individuals to work toward common goals. Behavior is voluntary and formalized. This type of cooperation is typical within cooperatives, labor unions, and other voluntary associations.

2. *Service cooperation versus comprehensive cooperation:* Craig characterizes service cooperatives as those organized to meet the "segmented," or specialized needs of members, as specified through participatory democratic structures. Efficiency is emphasized. Good decisions would be those that result in the largest number of members having a need serviced, over the longest period of time. North American agricultural cooperatives and credit unions would be examples.

Comprehensive cooperation is that characterized by face-to-face and daily interaction organized to meet a large range of human needs. Life meaning and cooperation as a way of life is sought. Good decisions would be those that have involved as many members in the process as possible. Worker cooperatives, and the moshav and kibbutz systems of Israel would be examples. Craig cites as some of the contributions of comprehensive cooperatives: (1) a sense of community, (2) individual growth in decision making and leadership, and (3) non-exploitation of others.

3. *Bureaucratic logic versus cooperative logic:* Bureaucratic and cooperative logic refer to kinds of decision making criteria and patterns of structuring within an organization. Bureaucratic logic refers to organizational hierarchies and a flow of authority and centralized decision making from the top down. Efficient use of resources is emphasized. Cooperative logic emphasizes equality, equity, mutual self-help, decentralized decision making, participation, and involvement. Local responsiveness is emphasized.

4. *Centralized versus decentralized decision making:* Centralized decision making is understood as an aspect of a bureaucratic logic of organization, and decentralization as an

aspect of cooperative logic of organization. Centralized decision making may occur at the top of an organization with management, and/or with directors alienated from members, as well as geographically within metropolitan, headquarters, and/or governmental locations. Causality, authority, and control within an organization flow from the center. Decentralized decision making is multipoint, multicausal, self regulating, and with multi-points cooperating with the center, but not dominated by it.

5. *Efficiency versus democracy.* A cooperative has the dilemma of "being a social organization responding to the needs of members and the reality of the market place" (p. 76). It has the "internal contradiction of trying to achieve goals effectively, make efficient use of all resources, yet remain responsive to the need of local people..." (p. 49). Efficiency generally accompanies bureaucratization, but bureaucracy frequently results in declines in democratic participation and increased centralization.

6. *State directed, top-down cooperation versus grass roots, bottom-up cooperation.* Craig gives some descriptions of cooperative development efforts in less industrialized countries, in particular India, the Peoples Republic of China, and Tanzania. He presents various failures and successes of cooperative development, making the point that top-down, state directed cooperatives frequently fail, because they are not "owned" and developed by local people. What may be desirable may not be desired. Those that are responsive to, and involved with, local people at the grass roots level have much higher probabilities of success.

These dilemmas and dichotomies are blended with issues of inequality, power, and empowerment. Power is understood as a social relationship between groups that determine "access to, use of, and control over the basic material and ideological resources in society." Empowerment is a process "aimed at consolidating, maintaining, or changing the nature and distribution of power" (p. 191). "Empowerment is basic to the idea of cooperation, where people work together to achieve goals that they could not achieve as individuals" (p. 193). Craig is very careful to state, however, that how empowerment and cooperation are applied, and in what context and in whose interest, can result in an improvement, or a worsening of inequalities.

The book contains seven substantive chapters variously dealing with these themes and issues. Chapter 2, "Roots and Evolution," presents a series of sociological concepts and approaches to analysis, but also a brief historical sketch of the cooperative movement and organizational development over the last 150 years. Agricultural, credit, and consumer cooperatives, driven from farmer and/or worker class interests and articulated as comprehensive or service cooperatives, make up much of the discussion.

Chapter 3, "Co-operatives in the World Today," focuses discussion on service cooperatives, detailing volumes, membership, and market share. Type of cooperative predominance (for example, agriculture, credit, or consumer) in countries such as the United States, United Kingdom, Canada, Denmark, Ireland, Germany, Norway, and Sweden, is linked to respective originating class interests (for example, middle-class farmer or labor) in each of the countries. Craig cites as contributions of service cooperatives: (1) breaking of monopolies and cartels, (2) elimination of windfall profits, (3) elimination of middlemen, (4) more equitable distribution of wealth, and (5) new economic power relationships.

Chapter 4, "Comprehensive Co-operatives," presents discussion of worker cooperatives in Western and Eastern Europe and India, and the Moshav and Kibbutz systems in Israel. Organized more for life style and meaning, Craig identifies several factors important to their success. These factors include commitments to: (1) a superordinate goal, (2) non-exploitation of others, (3) democratic decision making, (4) mutual self-help, (5) voluntarism, and (6) organizational skills. Difference between directed and contractual cooperations are discussed in the Eastern European context.

Chapter 5, "Co-operatives in Developing Counties," presents top-down, state directed experiences of cooperative formation in India, the Peoples Republic of China, and Tanzania. The chapter details how failure occurred, as well as how successes occurred. Successes typically involved more grass roots, bottom-up initiatives.

In Chapter 6, "The Problem: Co-operatives with Little Cooperation," Craig introduces explicitly the bureaucratic versus cooperative logic dilemma. Craig argues that cooperative failures are frequently due to leadership adopting a bureaucratic logic, rather than retaining and deepening a cooperative logic. He suggests the cooperative logic is part of a new paradigm more in keeping with modern, decentralized, participative, and workable approaches to societal organization. He extends this view by linking it to larger societal issues of "sustainable societies," as opposed to growthist, bureaucratically organized societies.

Issues of inequality and power are introduced in chapter 7, "Social Inequality: Gender, Race and Class." Gender and class are discussed at length, and concepts of "empowerment" are used. The Saskatchewan Wheat Pool is presented as an organization that helped empower farmers. Various credit unions are used as examples of empowerment vehicles for workers. The Calgary Consumer Cooperative and a Saskatchewan credit union are presented as organizations that reversed some of the power inequality between center and periphery.

In chapter 8, "Empowerment of Women In Consumer Co-ops in Japan," Craig, in collaboration with Deborah Steinhoff, presents an interesting example of female gender empowerment within a Japanese traditional culture that prescribes women's roles as homemakers and mothers. Because women's responsibilities are culturally understood as home focused, women are given great latitude in that area of life. Food, food quality, environment, and elder and child care all come under this venue. Consumer cooperatives with women as members and leaders have emerged in response to these culturally mandated roles and have had a far-ranging impact on the economy and societal organization.

Unfortunately, the book presents no chapter 9. The author states, "This book is concerned primarily with developing a sociological theory that explains the form and evolution of the cooperative movement." However, an integrated theory, carried through the entire book, and/or synthesized in a final chapter does not occur. The task is perhaps too ambitious: the author trying to integrate micro, mezo, and macro aspects of cooperative organization, articulating these historically in the global socio-economic context, and tying this analysis to race, class, gender, and periphery/center empowerment issues. The author does provide a wealth of badly needed sociological concepts and ideas relevant to cooperative organization and cooperatives. The linking of ecological and sustainable society concerns is a little forced conceptually, being introduced late in the book.

However, the book illuminates best the historical, national, and class bases for present day cooperatives and how bureaucratic logic/cooperative logic issues and service/comprehensive cooperative organizations get articulated empirically in a global context. This is an excellent read for both sociologists and economists who wish to understand cooperatives and cooperative organization in their societal, global, and historical complexity.

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