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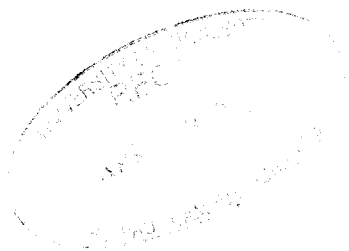
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JOURNAL OF RURAL COOPERATION



Centre international de recherches sur les communautés coopératives rurales
International Research Centre on Rural Cooperative Communities
המרכז הבינלאומי לחקר קהילות כפריות שיתופיות

CIRCOM

CIRCOM, International Research Centre on Rural Cooperative Communities was established in September 1965 in Paris.

The purpose of the Centre is to provide a framework for investigations and research on problems concerning rural cooperative communities and publication of the results, to coordinate the exchange of information on current research projects and published works, and to encourage the organization of symposia on the problems of cooperative rural communities, as well as the exchange of experts between different countries.

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The Cooperative Movement and the Agricultural Cooperatives in the Context of Globalization

by

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Abstract

Following a short review of the major trends that characterize the globalization process at the economic, political-ideological and socio-cultural levels, this article takes a look at the rationality of agricultural cooperatives and reflects on the effects of globalization. Understanding globalization as a dialectical process, my reflection will draw on the effects of globalization on cooperatives, in particular agricultural ones. I am referring to the threats, challenges and opportunities brought about by globalization. This means evaluating the threats and opportunities that result essentially from increased competition, trade liberalization and changes in the role of the Nation-states. The article ends with some conclusive remarks.

Introduction¹

The objective of this paper is to undertake a reflection and stimulate the debate on the influence of the process of globalization on the cooperative movement, with particular emphasis on agricultural cooperatives.

The text is organized in four sections. In the first, the major trends in globalization are briefly described. In the second, I discuss some aspects of the cooperative rationality necessary to understand the general context of the paper. The third section contains a reflection on the effects of globalization on cooperatives and, in particular, on agricultural ones. The fourth and concluding sections summarize the findings of the paper.

Major trends of the globalization process

Even those who reject the theoretical relevance of the globalization concept would not contest that, in order to identify and characterize the current phase of

¹An early version of this paper was originally presented at the X World Congress of the International Rural Sociology Association, Rio de Janeiro, Brazil, 30 July–5 August, 2000. The author gratefully acknowledge the comments provided by Chris Gerry based on that previous version of the paper.

world-wide capitalism, it is essential to take into account the tendencies that, in a schematic form, are presented below.

At the economic level

Turned possible by the revolution of the information technologies and the improvements in transportation, globalization can be characterized by the following changes:

- the augmentation of international trade by intensifying international competitiveness points out to an increasing international economic integration;
- the growth in the number of transnational corporations (TNCs), accompanied by new forms of management and a development of new strategies nowadays with a global reach and increasingly using intra-firm transactions (Chesnais, 1994; Petrella, 1996; Markusen, 1995; Nunes, 1998);
- the emergence of global commodity chains, which put into competition the most diverse forms of production (capitalist, cooperatives, family farms, and craftsmanship productions) in a market that for many products and services already has a planetary dimension;
- finally, the emergence of a true financial world market, which appears as the main distinctive line in relation to the past. A market characterized by free movements of capital and by enormous levels of speculation that are in the origin of the big volatility and instability of the world financial system (Bourguinat, 1992; Eichengreen, 1998; Korten, 1996).

At the political-ideological level

Changes at the economic level are at the same time cause and consequence of changes at the political-ideological level, particularly on the role of the State. Assuming that the State diminishes its general level of intervention², it is worth mentioning that there is a considerable variation of situations from nation-state to nation-state, and occurring more in certain areas than in others (Friedland, 1994).

Following McMichael and Mhyre (1991) the State hegemony is assuming over and over the role of facilitator of the capital requirements abandoning functions and prerogatives that, a little time ago, were exclusively or principally characteristic of the public sectors. But this change in the role of the State is inextricably connected with the increasing hegemony of neo liberal ideologies that point to economic and financial orthodoxy strongly supported and legitimated by the media, as shown by Dixon (1999) and Gray (2000).

At the socio-cultural level

The most relevant feature is the emergence of a truly global communication network, including the media and also the cultural industries. All the global

²The "withdrawal of State intervention in some spheres (particularly the social sphere) has been accompanied by strengthening of intervention in other spheres" (Bonanno, *et al.*, 1994: 22).

messages passing through this network point to certain standards of consumption and to the diffusion of an ideology and a consumer culture that mark a tendency for the homogenization of human behavior, and the spread of common consumption standards (Mattelart, 1983; Sklair, 1998). The counterpart of this tendency is the emergence of anti-homogenization movements leading to the rejection of and the resistance to the globalization process.

On the other hand, the increase in concentration of the mass media global firms that accompanies globalization contributes to a narrowing ideological control. News in periodic publications or in different television channels only confirm this impression (Bourdieu, 2000; Ramonet, 1998).

All of those changes point to a world where market forces are increasingly assuming the principal role on the regulation of essential aspects of the economic, social and cultural life of societies.

In short, economic agents of the global markets, the Transnational Corporations (TNCs) and the agents of the world financial market have gained power to a point that any government to keep or increase its credibility must fully comply with the above mentioned financial orthodoxy³.

With this brief introduction to some of the aspects of the globalization process let us turn to agricultural cooperatives.

The effects of globalization on cooperatives

Evaluating the effects of globalization implies to take into consideration the threats and constraints, stimulated by globalization, as well as the challenges and the new opportunities brought with it.

It is undeniable that globalization brought with it a set of limiting factors and constraints, not only for the functioning of cooperatives as an economic activity with unique characteristics, but also to the relationship between the cooperative movement and the State.

Cooperatives' unique characteristics

Cooperatives are a product of, and a reaction to, liberal capitalism. Following certain tendencies these are seen as a fanciful and radical alternative to capitalism, while following others, they are simply presented as a moderated counterpoint of excesses of liberal capitalism and a way of guaranteeing the economic survival of the smaller facing strongly competitive markets.

History also shows that the forms of economic organization based on cooperatives coexist, with more or less success, with forms so diverse like market capitalism or real socialism, and this during more than a century and a half.

In accordance with van Bekkum and van Dijk (1997:20-21), there is a specific

³Fitoussi's (1997) "financial tyranny".

rationality underlying agricultural cooperatives as a business form in developed market economies. This rationality is strongly related to the agricultural specificity and rural life, considered favorable to activities in cooperation. Cooperatives give the farmers the *countervailing power* necessary to deal with concentrated buyers. Cooperatives facilitate the access to certain market segments, by concentrating agricultural offer of agricultural products and the demand of inputs or services compensating the geographic dispersion of agricultural production. Cooperatives are a good way to deal with the market and biological risks of agricultural products. Through cooperatives, farmers are able to better adapt their production to the demand and the requirements of the market, and hence, *improve market efficiency* to the benefit of both themselves and the community, including the national economy. Finally, cooperatives may contribute to the *preservation of employment and the raising of income* for farmers/members and the region in which they live.

The implicit reasoning in this description points towards a rationale which emerges and gains all sense in *bottom up type* cooperatives in a developed competitive environment, that is cooperatives embedded in market economies, which means competitive relationships and eventually collaboration agreements with private businesses or public institutions.

In these cases, the elements of this rationality are understood and internalized by the members, therefore guaranteeing disciplinary levels needed for a good economic functioning and lowering, or at least keeping under control, the tendencies to adopt *free rider* behaviors.

Cooperatives and the State

Probably the most constraining factor resulting from the globalization process is the pressure put on the State to force it to comply with the financial orthodoxy, thus strongly reducing its ability to determine, autonomously, the priorities of economic policies.

Thus, even if a government following the will of the people want to put in practice a positive discrimination towards the cooperative movement, as it happens in the Portuguese Constitution, it will have probably to come to terms with the so-called market forces.

On the other hand, and this is maybe the main dimension of the question, in the weakest or more fragile nations-state, the maintenance or reinforcement of institutions able to regulate the market is getting harder to secure.

In situations where the power of regulating the market and mediating interests are escaping from the State control, it is not a surprise that the most powerful agents, from a political or economic point of view, gain advantage. This also leads to the adoption of survival strategies that increase the tendency of individuals to enter into informal economic activities, whose aim is only to escape fiscal and labor laws and other State regulations.

The threats of globalization on cooperatives

Globalization means that at any time and at any place, it is possible to find local products in competition with products of all sides of the planet and, although in a smaller scale, with services. Thus, as agents producing to competitive markets, cooperatives have to adapt to the effects of the presence of products which, until recently, were not found in the market.

The global agents install new units, buy existing units, or establish partnerships with local agents reinforcing their competitive capacities. The result of these acquisitions or strategic alliances is a trend to aggravate the concentration of production in larger units and in the most richer and favorable areas, leading to the extensification or abandoning of poorer areas. This is particularly felt in the rural world, affecting agricultural cooperatives.

In this context, though, the importance of the presence of global capitalism agents is differentiated and more important in some products than in others. The fact is that the agricultural productive agents and those located downstream of agricultural production, amongst them the cooperatives, will have to start counting, on a scale never seen before, with the presence of global capitalism agents or entities connected to them in contractual forms or any other.

It is important to outline the preferential areas for global agent activity in order to have an idea of the challenges which agricultural cooperatives face.

The production of fruit and fresh vegetables, is a sector where globalization has the most visible effects, to the point that the concept of fruit season is nowadays meaningless. Thus, certain varieties of fruit, which earlier had a secure market due to the fact of being unique in a certain period of the year, had to face the competition of out of season fruit, imported without limits, through global chains of large economic and financial power.

See also the case of cooperatives providing inputs for agriculture, namely animal feed. They are the subjects of a very hard competition with powerful TNCs that establish networks, connected through vertical integration and subcontracting processes (Heffernan *et al.*, 1999). In this sector, huge TNCs, such as Cargil, ConAgra and large Japanese conglomerates, which control the world trade of grains of cereals and oil seeds, have an important role squeezing smaller firms and cooperatives margins.

In the dairy sector, the role of larger TNCs, such as Nestlé, BSN-Danone, Parmalat and Yoplait, are strengthening its weight in that kind of dairy productions with larger margins, such as yoghurts, dairy desserts and dietary products. Those with a smaller margin and the contact with milk producers are left for smaller private units or the cooperatives.

It is also important to outline the weight of large TNCs on the drinks sector production with well-known brands such as Coca-Cola, Pepsi, Perrier, Seagrams, etc.

In short, in this context of globalization, the cooperatives with direct economic function, and with a local range (production, processing or marketing cooperatives) are suffering with the entry of new competitors and/or with the reinforcement of traditional competitors connected to global economic chains.

However, the economic threats to cooperatives are not limited to the presence of new or reinforced global competitors. Another threat to cooperative survival, especially those with smaller dimensions, is the competition of informal or semi-informal agents (I use the semi-informal label to characterize the agents that do not comply with all their legal and fiscal obligations, thus obtaining unfair competitive gains in the market).

The emergence of these agents is not a direct consequence of globalization, since it is a phenomenon already studied before the globalization concept came about. However, the weakening of the nation-state associated to globalization constitutes a strong stimulus to the proliferation of informality. In particular, it is the case of weaker nation-states which, in order to obey the financial orthodoxy, are forced to diminish the resources allocated to the public administration. The lack of resources aimed at regulation, supervision, evaluation and political monitorization of the set of policies means that each time it is more difficult to enforce fiscal and other regulatory obligations.

In this context, the informal and semi-informal economic agents are aggravating factors of the cooperative competitive situation. This is particularly visible in relation to agricultural marketing cooperatives and some services cooperatives, although it can also affect other cooperative branches.

Indeed, these agents can be dreadful competitors, and in reality they are, since their number can be quite relevant⁴ causing strong erosion of the cooperative's capability to stay in the market. Furthermore, the simple existence of these informal agents is a source of concern in the relationship between cooperative managers and cooperative members, these being very difficult to convince of the advantages to keep to the faithfulness of their cooperative.

This situation is only possible with a weak nation-state, which is unable to establish control schemes and efficient repression on this type of situation.

In conclusion, cooperatives and especially agricultural cooperatives find themselves between the hammer and the anvil. On the one hand, they have to face intense competition from TNCs and/or local firms connected to global commodity chains, both financially stronger and better integrated into networks that facilitate continuous innovate products, marketing and management procedures. On the other hand, cooperatives face a diffused multitude of small agents, amongst them the above-mentioned informal ones. By operating in precisely the same markets, they

⁴In a study realized in the area of the municipality of Anadia the percentage of informality found ranged between 44 to 56 percent (Moreira *et al.*, 1997).

constitute almost unbeatable competitors. This situation shows that globalization aggravates the competitive environment of cooperatives by subjecting them to a veritable competitive squeeze.

Cooperatives and the financial markets

Cooperatives are likely to be one of the sectors of the real economy most threatened by the financial speculative logic and dynamic.

To obtain the needed funds to start-up and functioning, cooperatives have to compete with multiple alternatives. The increasing importance of speculative finance means that it is able to attract savings, since it tends to have better results in the short term. Thus, the venture capital that cooperative development so badly needs, tends to be an ever-scarcer resource.

However, the access to necessary funds to develop or start up cooperative initiatives does not only suffer from this generic competition. Within globalized financial systems the rules to capital access tend to be identical in all countries and the growing trends to bank concentration result in raising bank transaction costs. Thus, smaller firms, where we find most of cooperative initiatives, find increasing difficulties to obtain the necessary funds, a situation that is aggravated in depressed or less developed areas. This results from the logic of the bank market, and is due to the usual attempt to avoid risks, on the one hand, and to increased transaction costs which determine the raising threshold needed for the grant of loans,⁵ on the other.

This raises clear problems to those who need small loans unfavorable areas and to benefit unfavorable areas and sectors in a critical situation where the possibilities of giving real guarantees are scarce or even impossible.

In conclusion, taking this logic as the last consequence, only medium and large sized cooperatives, working in non-critical sectors, would easily access financial markets. Smaller cooperatives risk funds shortage, unless they are able to support increased financial duties (Leyshon and Thrift, 1997).

The impacts of the immaterial aspects of globalization

Besides the material aspects easily identifiable through the quantitative indicators, it is still important to refer the impact of the some immaterial aspects of globalization.

The tendencies for the homogenization of material and cultural consumption point to changes in the equilibrium that can be either a threat or open up new opportunities.

Another aspect is the influence of the concentrated global media, due to the particular impact it has over the cooperative movement. I am referring to the spread of individual values, the merits of inequality and competition to the detriment of the

⁵ Reifner and Evers (1995) after simulating a situation for a German market setting calculate that the threshold for a loan rise to US\$80,000.

values of solidarity, equality and cooperation.

When the media find mentioning such values unavoidable they are treated as if they were purely individual positions and practices. The news treat solidarity as a form of voluntary, heroic and/or charitable individualism, frequently portraying and praising it as originating in personal decisions of the stars, celebrities and other amongst the rich and powerful. Acts of solidarity are almost never associated with cooperation among anonymous citizens in defence of their interests; indeed, this type of publicity is systematically excluded. Possible exceptions to this general pattern can be found in *ad hoc* instances of solidarity, that the media may be able to exploit for their own benefit (*i.e.* to increase audience targets and ratings) and/or to which powerful political and ideological lobbies may momentarily attach themselves in order to legitimize their current mission or message.

The challenges to the cooperative organization

The tendencies identified above clarify the new challenges that have to be faced both in cooperative's "internal environment", in the context of inter-cooperative collaboration, and in the relations between cooperatives, the public and private sectors and final consumers of their products. The increase in competition obliges the cooperatives to adapt to new winds. In any case, if competition constitutes a real threat to the survival of cooperatives we must realize that it has been a powerful indicator for the need to adopt new ways of management.

Still with respect to the "internal environment", and one of the main obstacles to the cooperative life is the lack of social capital. Thus, financing investment, or simply assuring the current operations, has always been problematic. Solutions inspired by neo-liberal philosophy have called for significant changes in cooperative principles, and have been far from universally applauded. Others seem more promising, and deserving careful analysis, as it is the case of the successful experiences designated in the literature as New Generation Cooperatives (Harris *et al.*, 1995). These experiences changed the traditional approach of being a simple marketing device in substitution of the farmers themselves. Instead, they seek to increase the added value to the agricultural production, through processing and careful marketing. They obtain the necessary capital funds and it seems that they are dealing quite well with free rider temptations.

Management by a collective board of members, and management performed by a full time professional non-member is another issue that the cooperatives have to address. Much of the literature argues that full time professional management is a necessary condition for the success of cooperatives in a competitive environment, even more so if an increase in its scale is contemplated. Then the question is to determine what kind of control is required if the cooperative is to avoid a business strategy that serves the interests of a management bureaucracy rather than those of

its members. Furthermore, what type of human resource management and training policy would a more professional management require? (Moura, 1999).

It is also commonly thought that cooperatives typically lack the critical mass necessary to obtain economies of scale and scope, and therefore need to contemplate mergers and other forms of inter-cooperative collaboration. Pushed a step further, such thinking also raises the possibility of internationalizing cooperatives in specific sectors and product lines. However, the whole question of scale and scope raises some quite fundamental questions. Is there no way, other than by merger and the constitution of larger units, to achieve the necessary economies of scale and scope? In addition to larger units introducing the risk of diseconomies of scale and the corresponding impact on management efficiency, will they not also inevitably tend to reduce membership participation even further, in practical terms, to a purely symbolic or even non-existent level? Perhaps the cooperative movement should seek to reflect more the *network enterprise* model (Castells 1996; Dicken 1992) operationalized by TNCs? In other words, might it be possible to establish networks, each grouping together cooperatives of different sizes under a centralized strategic coordination, so as to achieve economies of scale without losing the flexibility and other advantages that smaller dimensions confer on an economic organization?

Perhaps the main issue is to select the criteria and appropriate methodology to undertake a critical evaluation of such experiences to know if they are in line with the cooperative principles. In turn, this could be a contribution to the promotion of *globalization with solidarity* as the counterweight to neo-liberal individual globalization. After all, the current model of globalization has already shown that the necessary material and organizational means exist for the efficient running of a global world economic system. The remaining question is whether a viable alternative model can be constructed.

Concerning the relationship between cooperatives and the private and public sectors, the hypothesis of establishing forms of mutual beneficial coordination, legally formalized or otherwise, ranging from simple coordination contacts to joint ventures or even the establishment of strategic alliances, should not be excluded (van Bekkum and van Dijk, 1997).

Finally, other very real threats to the cooperative movement exist: for example, the more dynamic and adaptable cooperatives could become victims of their own competitive success, by becoming targets for privatization (either by outside interests, or as a result of an internal management buy-out). Under such circumstances, the "operation" (namely to help cooperatives adapt to globalization) would have been a great success, even though the "patient" (*i.e.* cooperative principles) would have died as a result of the surgery. Moreover, legal barriers at national-level may constitute only a temporary obstacle to such changes, particularly as capital is well able to force cooperative members and, in particular, the more dynamic cooperative leaders, into

accepting privatization.

This type of outcome could be achieved in a disguised manner, through the type of acquisition, merger and alliance processes that are so much in fashion today, particularly as cooperatives have already partially opened the door to such possibilities by transferring their most profitable business opportunities to wholly-owned private subsidiaries. Furthermore, cooperatives could find themselves increasingly dependent on outsiders' strategies if they were to sign preferential supply contracts with large TNCs, no matter how beneficial these might appear to be. Given that cooperative members often do not appreciate or sufficiently compensate the management capacity of their leadership, there would be ample motivation for frustrated managers to seek ways of privatizing the cooperative in order to improve their rewards in material and/or status terms.

Having described some of the limitations, constraints and threats characterizing the context in which cooperatives must currently operate, should we conclude that globalization only constitutes an enormous threat hanging over the cooperative movement or, on the contrary, is it possible to detect aspects in the process that could be positive for agricultural cooperatives?

Opportunities

Assuming that globalization is a dialectical process, we should not forget that the same environment causing threats and dangers might generate opportunities.

First, the very fact that competition is tending to become more intense and cut-throat should not necessarily be a cause for fatalism and passivity. Nevertheless, it should be recognized that the adoption of a positive, imaginative and pro-active attitude means breaking decisively with past practices – for example, by adopting more efficient and transparent management and control methods.

It must also be outlined that the tendency to overvalue the global has generated a counter-current in the form of greater commitment to establish and defend local identity and values. This being the case, new windows of opportunity will open up, allowing local activities to take advantage of niche markets based on the local origin features, typical nature and rural values crystallized in the product or service. This phenomenon has already emerged in Europe and has been actively debated by proponents of agricultural multi-functionality. Ranging from traditional cuisine, through quality wines, spirits, beers, and other items with certified origin such as olive oil, to tourist services specializing in the rural environment and its conservation, in particular those promoting scenic amenities, as well as the rural areas' architectural, historical and cultural heritage.

Also, as globalization intensifies social relations on a planetary scale (Giddens, 1992), new vistas open up as producers' and consumers' knowledge of different and hitherto unknown realities; in other words, globalization causes consumers to

develop new tastes and demands, which means that the producers of goods and services must adapt what they aim to satisfy these new demands. On the other hand, confronting with the globalization of food, consumer movements put pressure on farmers and agri-business to provide more information about food production methods, and become increasingly concerned about health guarantees and other characteristics of food quality. By responding to such demands and concerns, more democratically oriented and ethical producers organizations are able to increase their competitive advantage, when compared with traditional private hierarchical firms (Westlund and Westerdahl, 1997). These new consumer priorities and changing tastes, together with the novelty of encountering new and quite different products, open up excellent opportunities for the exploration of market niches that until recently were unimaginable or unattainable. Attention must be granted to the possibilities brought by the Internet which, in addition to providing information (both on what to try and, indeed, what to avoid) also can have a very positive effect on “distance selling”. Some local development initiatives and cooperatives have leapt at the opportunity to sell to a wider clientele and already selling their products – either directly or indirectly – through the Internet. The expansion of movements of *Fair Trade*, and the possibilities that this movement brings to certain products, localities and cooperatives is also interesting.

From a broad financial perspective, more autonomous and efficiently managed cooperatives will have a more legitimate word to say, thus helping to give visibility to political decisions and to articulate their demands for, at least, a treatment on a par with that provided to international capital.

On the other hand, financial orthodoxy is forcing the nation-state to diminish direct intervention in the provision of social safety nets. This pressure favors privatization schemes of the social functions typical of the welfare state. In this context the cooperative movement could be called to perform a much more important role in social matters. They can be used as a device to ensure that it will not be only market considerations that ultimately decide what kind of safety net is provided for the poor and the excluded. For example, agricultural cooperatives could evolve towards more multi-purpose, mixed forms, involving the provision of social and socio-economic development services in less favored rural areas where such facilities are lacking.

Finally, as long as the difficulties of competition and access to capital markets via the banking system do not completely paralyze cooperatives, this new demanding environment can continue to stimulate the imagination and fuel the search for alternative solutions. There are successful examples of imaginative solutions that work and that have provided an alternative to the traditional financing procedure⁶.

⁶See Seibel, 1995; Putman, 1995; and also Mountour, 1995; Morales-Gutierrez, 1995; RAFAD-SOS FAIM, 1993; and Vecchia *et al.*, 1995.

For example, alternatives to the commercial banking system have emerged that are more able to respond to the needs of small scale collective initiatives, and some new means have been found to deal with the competitive squeeze that both rural small businesses and agricultural cooperatives face.

These alternatives have quite different features, with some favoring the use of informal sources of finance, with others being more wedded to new formal financial products. A clear example of the latter would be the so-called "ethical investments". Examples exist in the United States, United Kingdom and other European countries, and have frequently been either the result of state initiative, or have benefited from state support and/or participation (Leyshon and Thrift, 1997; Vecchia *et al.*, 1995).

Such success stories prove that something can be done without the need for complete submission to the rules dictated by the financial global market. Perhaps the number of successful alternative experiences has already reached the point where we can cautiously abandon pessimistic thoughts.

Concluding remarks

This paper has argued that globalization has already caused a series of profound material and non-material shocks to the competitive practices and forms of management that have characterized cooperatives in the recent past. Since the possibility to state rescue procedures has all but disappeared, unless these issues are addressed and overcome, cooperatives will be forced to abandon their activities⁷.

Today, the survival of cooperatives still depends in large measure on the capacity of their leaders and managers to adapt to a more demanding and hostile competitive environment, in which the logic of the market predominates, even if the regulatory role of the State still continues to be of substantial importance.

The threat to cooperatives does not originate only in its competitive environment, or in the volatility and increasing selectivity of the financial system and capital markets, or in the pressure to the privatization of the most well successful cooperatives. The intensification of social relations brought about by globalization, along with the ideological role of the media have also played a key role, and should form an integral part of our analysis. Indeed, both the media and the globalized cultural industries proclaim the values of individualism and competition, while ignoring or disparaging the values of solidarity and cooperation. However, while globalization has tended to homogenize consumer tastes and behaviors, the resulting uniformity and blandness has acted as a factor setting in action a counter-current of resistance, articulated by various social movements. This same homogenization, combined with the health threats that some of the products of contemporary

⁷ Obviously, solutions that take the form of "anti-systematic" resistance strategies are possible here and there; however it seems unlikely that they will provide a generalizable form of defence against the effects of globalization.

globalized industry carry, has also stimulated public and consumer interest in local identities and local values.

On the other hand, the importance of the intensification of social relations points to the homogenization of behaviors and consumption, which is probably the cause for the resistance by various social movements. It also provokes the sudden interest in local identities and values.

In short, globalization has become a powerful factor of change for the cooperative movement in general, and for the agricultural cooperatives in particular. If it is the case that globalization threatens the cooperative movement in various ways and to varying degrees, then it is also true that it has opened up new opportunities for development. In particular I am referring to the promise of new ways for the cooperative movement to take advantage of the content and context of globalization, and to the opportunities for different types of social movements to counter globalizing tendencies.

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