

## Editorial

Our last issue was untypical, because we had to fit in a conference report and an index to the last ten journals. Readers will be reassured that in this issue we return to the usual format, with four short, non-refereed articles, two longer, refereed articles, and some book reviews. We continue the themes of the future of mutuality and the co-operative policies of the new UK Labour Government, with a topical article from Andrew Love MP. After outlining the recent history of building society legislation in the UK, Andy reports on the work of the All-Party Parliamentary Group who are defending the sector in Parliament, and develops a controversial argument suggesting that the new Labour Government is not doing all it should be to defend mutuality. His article is an excellent follow-up to those by Peter Clarke and Ted Graham (Lord Graham of Edmonton) in the last issue. In future issues we hope to extend the discussion of mutuality both internationally and in relation to different sectors (such as the potential of mutuals for control of utilities).

Hagen Henry compares labour law and co-operative law, and argues controversially that labour law does not apply in worker co-ops. He goes on to argue that, because of fundamental changes that have occurred in the nature of paid work, labour law is no longer able to protect the interests of labour over against those of capital. Co-operatives may be the only way to ensure the protection of workers, in that they merge capital and labour in one person - the worker-member.

Gordon Wilks returns to a debate we had in the Journal around 10 years ago, when the Society for Co-operative Studies sponsored your editor's work on how to save small co-operative stores. He illustrates one argument made familiar recently in defence of the CWS, that co-ops have lower profitability because they refuse to close small community shops in favour of more profitable out of town superstores. He shows how local authorities can overlook this and discriminate in planning in favour of the multiple retailers, despite national guidance which endorses the co-operative sector's stand. His conclusion is that the Co-op has to make its ethical commitment much better known.

David Clapham and his colleagues have been quietly

researching over several years into one of the most important questions facing the housing co-operative sector - how successful are the co-ops that have taken over some of the most deprived public housing estates in Scotland? The answer is heartening to all those who believe in resident-controlled urban renewal - they are the best alternative, but ought to be given space to operate more widely in meeting the needs of local communities. The question remains - why, in the light of this evidence, are governments in other parts of the UK still insisting on using less accountable forms of organisation to do the same job?

Godfrey Baldacchino reports on the semi-privatisation of public services in Malta to worker co-ops, and asks some pertinent questions about whether they are likely to work in practice. If they do, then we have a potent alternative to outright privatisation that will influence government policies in many countries. We will continue to search out examples of the 'co-operatisation' of public services for future articles; this may be one of the growth areas for co-operative development in the future. Finally, Yair Levi asks what are the consequences of having none, one or more co-ops in a village. The context, of local economic development in third world countries, may be unfamiliar to most of our readers, but his case study examples help us to ground the arguments in real situations.

The last issue of the Journal carried an outline of a proposed research project; 'Reasserting the Co-operative Advantage'. This aims quite quickly to identify ways in which consumer co-ops can gain market advantages by emphasising their difference from shareholder companies. It is inspired by the fightback by mutual building societies, and made urgent by the recent attempted hostile takeover of Europe's largest consumer co-op, the CWS, by a 'corporate raider'. In the next issue we hope to publish a refereed article by your editor telling the story of that takeover bid, and reporting on what CWS has been doing since then to build up its defences and reassert its 'co-operative advantage'.