



*The Borderlands co-operative:
a place of inclusion and
co-production*

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The historical and social context

The Borderlands Co-operative came about in 1997 – even if one could truthfully say that it was much longer in the ‘making’. Indeed, it grew out of a deepening sense of frustration with – both – the established institutional processes of learning, working and living being imposed on people in (a society like) Australia and the palpable impotence of individual and organisational attempts at resisting that imposition.

As well, the demise of – literally – thousands of small local and issue-based community organisations and action groups during the nineties, in Victoria, precipitated by the election of an aggressively conservative government, contributed to the ‘mood’ of activists dropping from sombre to desperate. As usual in such circumstances, the neo-liberal and economic-rationalist ‘divide and rule’ strategy (masked as ‘competitive tendering’, for example) employed by those in (economic and political) power worked its way into the hearts and souls of the diverse movements and the mere struggle for survival, by organisations and individuals alike, did the rest.

I had grown quite disenchanted with the ways universities were adapting to the neo-liberal expectation to commercialise, in order to cope with the systematic budget cuts and decided to leave tertiary education after about 27 year. In the several networks of which I was a part – ecology, community development and international solidarity – we often intensely discussed the ‘where to now?’ question and the idea of creating a place where community activists could meet, regroup and gather resources germinated... After a year of talking, thinking, finding resonance with lots of people, I invited the members of the networks to attend the launch of ‘Borderlands’ and become part of

the creation of

“... a place where people can meet, talk, reflect, learn and teach, read and study, do ‘cultured’ things together, organise, administer and manage their networks or activities in and from, where consultation, consulting and counselling can happen, where a broad spectrum of basic resources are made available and accessible and which thus would become a ‘node’ of various intersecting local, national and international networks concerned about any, more or all of the issues discussed in more detail below. In short, a place where people can develop other ways of doing things together and have fun in the process of doing them.”
(Boulet, 1997)

The goals of the to-be-evolved organisation were ‘dreamt’ to be necessary – if varied and multi-faceted – responses to the need

- ... for a profound re-development of our local communities.
- ... for more ecologically sustainable local (suburban) living.
- ... for international and inter-cultural learning, exchange and awareness.

- ... for critical (self-)reflection and for active and participatory research.
- ... and for a (re)new(ed) spirituality, based on a newer-older understanding of 'spirit' as that

"...which stitches the parts into the whole; ... as that which connects; ... acknowledging the ravages undue divisions of labour and 'expert' specialism have done and are doing to us and to the world... Borderlands should be about all-at-once."

The organisation (or the dream of it) was launched on the 21st of December 1997 (the last shopping Sunday before Christmas...), attended by about 100 people and a call was made to join and together develop both the **place** (which we had 'stumbled into' through 'connections' and was located above an underused church hall and consisted of two big former classrooms, one subdivided into three office-size sections); gather **resources** (we had started to bring together books and journals, furniture, stationary and were proud possessors of one antique laptop computer); and the **organisation itself**.

During the first months of 1998, we organised workshops, invited speakers and offered networks to hold their regular meetings in the premises and developed Borderlands' organisational framework, its vision and mission and its objectives, 'rules' and possible strategies to become sustainable. Various organisational formats - association, incorporated business, co-operative, for-profit or not-for-profit - were considered, but our early sympathies were and stayed with the *co-operative form*, especially in view of its historical origins and given that its philosophical foundations were felt to be in tune with the vision we had for Borderlands as an (ad)venture anyway.

So, what's so good about co-operatives anyway?

Whilst 'cooperation' has been around forever and is based on a solid core of social human attributes (even if some ideologues would like us to believe that humans are inherently self-centred, competitive, greedy and envious...), '**co-operatives**' have emerged as part of the resistance against the ravages of state-sponsored capitalism in the early 1800s. The '*Brotherly Weavers of Rochdale*' (Birchall, J. 1997) were part of a growing number of attempts at developing alternatives to the various dimensions of alienation experienced by growing masses of people - and of which the many 'utopian' communities in the (then) New World were another expression (as was Karl Marx and the various shadings of the socialist/communist movements he helped generate).

Through a co-operative, the Weavers wanted to avoid the double exploitation they suffered from the owners of the textile mills in the Manchester area; in addition to paying them hunger wages, the latter wanted their workers to buy their basic consumption goods in the factory shop at inflated prices - even paying them 'in kind' with their overpriced articles! The workers put some of their little savings together and bought 'bulk' from suppliers and producers and - from 1844 - sold the articles to the members of the first modern-age 'consumers' co-operative!

Over time, co-operatives started to operate in the *financial* area (through credit unions), the *consumption* area (for consumptive goods, from houses to food), the *production* area (through workers collectively owning their company or other forms of co-operative production) and the *distributional* area (through co-operative transport

or the elimination of the 'middle-persons' between production and consumption).

The Weavers' co-operative principles still are basic to a - meanwhile - global movement with about 800 million participants; they have been re-formulated by the International Cooperative Alliance in 1995 (see <http://www.ica.coop>) and they are integrally taken over by the recent Australian Legislation of 2013. Very briefly, a co-operative is defined as an

'autonomous and voluntary association of persons with the goal of responding to common economic, social and cultural interests and needs by means of a collectively owned enterprise in which power is democratically exercised.' (transl. from Defourny, J., Simon, M. & Adam, S. 2002: 147)

Co-operative values can be summarised as personal and mutual support and responsibility, democracy, equality, justice and solidarity and members espouse an ethic of honesty, transparency, social responsibility and altruism (ibid.). The Victorian Co-operatives Act (1996) requires co-operative members to abide by the following seven principles:

1. Voluntary and open membership
2. Democratic member Control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Co-operation amongst co-operatives
7. Concern for the community.

As one can readily derive from the above, the co-operative philosophy approaches pretty closely

that of community development in its various guises. But what about the *practice* of the co-operative movement? How have co-operative ideas and their realisations evolved since the mid-1800?

Co-operatives and the 'new social economy'

The ideas and practices of the co-operative movement have had their historical fluctuations and, especially during the last thirty years or so, have had to deal with the effects and impact of the latest phase in the globalisation of capitalism. Eschewing both state ownership and unfettered capitalism (and often misleadingly identified as the 'Third Way') the evolution of the co-operative movement has been located by Race Mathews (1999) within the context of the early Fabian and social christian/catholic philosophy of 'distributism', and re-emerging in Nova Scotia, Canada (Alexander, A. 1997) and in the co-operatives of Mondragon, Spain (Whyte W.F. and K.K. 1991).

Mathews also links the re-birth of the co-operative movement with some of the newly emerging 'alternative' political and economic discourses, notably social entrepreneurialism, social capital, associative and deliberative democracy, civil society and others (see also Hughes, V. 1997). He is timely in reminding us that the main goal of the 'distributist' philosophy inherent in cooperatives was and is the '*well-judged distribution of property*' (through the joint and personal ownership of jobs, capital, assets and benefits) and therewith providing support for the need to control and limit capital accumulation in (few) private, public or corporate hands.

According to Mathews (232), the co-operative movement has gradually adopted strategies

of 'scaling up' their operations and have lost touch with the principle of 'subsidiarity', the philosophical and practical cornerstone requiring *that members remain highly involved in the operations of their co-operative(s)*, rather than allow "*responsibilities [to gravitate] from those directly affected by them to others*", notably to 'executives' or to 'hired' personnel. Increasing size and decreasing transparency and sense of ownership of many credit unions and agricultural production co-operatives (adopting practices and processes of the 'big end' of town, in an attempt at remaining 'competitive') demonstrate their vulnerability to being assimilated into the processes and structures of the political-economy they came about to counteract.

The 'new' generation of co-operatives emerged in the wake of the movements of the late sixties and the crises in the capitalist world economy (and of capitalism as an ideology) of the early and mid-seventies. Simultaneously, the welfare state came under (renewed) attack, being partly 'blamed' for the crisis in capitalism as well as being a highly insufficient and stigmatising substitute for income security - let alone, offering a dignified livelihood for those needing it. Diverse attempts at regaining control over the personal and collective vagaries of the 'labour market' emerged through the establishment of local and worker-controlled 'employment initiatives' and work opportunities. Experimentation with the co-operative form also occurs in the context of 'developing' communities and, similar to those in the industrialised world, with various degrees of success and having to counteract ongoing attempts at assimilation into the capitalist political economies.

How has Borderlands tried to 'be' a co-operative?

Borderlands: example of an organisation that is based on the intrinsic understanding of 'community', i.e. from 'munus' (Lat.) or 'gift' and thus an assembly (i.e. the 'com' in community) of gift givers and gift receivers; surviving and being sustained on the basis of on-going processes of reciprocity in relationships between members, users, visitors (occasional birds of passage and those who 'hold' the place by their more on-going 'presence' (or presents) and who 'hold' the 'cooperative' potential of the organisation); a learning place for cooperation which also harbours other groups in cooperative exchanges of mutual benefit and of sustainable and transformative power.

I already mentioned that - from the beginning - Borderlands espoused an ideology of *sharing*; previously private books and journals found a place in a library of meanwhile well over 14,000 books; previously private furniture and equipment evolved into collective offices, kitchen and 'lounge' areas; joint projects started to 'happen' very early on and other small community-based groups were invited and came to share the premises and thus lessen the burden of rent and maintenance costs. But that was only the easy part....

Co-operative membership in Borderlands had been set at \$100 per share or at an annual subscription rate of \$25; after the first flurry of registrations, things slowed down and we now have an 'active' membership base of about 100 - many of whom forget to renew their subscription. Shareholders are meant to be 'active' in the co-operative, but

many are unable to contribute through activities and offer financial support only. Yet others find the fees too high and they do contribute through their participation in our projects or they help out otherwise. In sum, there's a core of about 25 to 35 people who are regularly present and 'do' things at and through Borderlands and another 50 or so who attend and participate in events or some of the activities taking place. The 'regulars' cover a wide variety of ages (concentrating around the 20-30 years and 50+ age groups), are overwhelmingly female and tend to live in a wide spread of suburbs around Borderlands' physical location, but with an increasing clustering in and around the City of Boroondara, in Melbourne's Inner East. We also have quite some 'birds of passage'; people come to rest for a while, after or during some often harrowing experiences in their previous work or personal life contexts, and then move on. Via newsletter, website, flyers and word of mouth, we are regularly approached and tell people 'what we're on about...' and some become involved, other stay a while and still other pick up the idea and try similar things elsewhere.

In sum, we're rather flexible and pragmatic about 'membership' and we tend to rejoice when we see the place being used and resources being put to work to achieve the ends of those who - like us - want to change the world a bit for the better, especially through the five areas in which we have chosen to become active and spend our personal and collective energies.

Borderlands also engages in *co-operative work-for-pay*; part of our 'founding' idea was to evolve other ways of 'valuing' work and of 'making a living', both to sustain the co-operative itself and to secure a personal income for those who would do the job. We were wary of joining the many

and variously-sized organisations in the chase for the 'grants' dollar; we didn't like the strings attached to most of them and therefore decided to use the research, evaluation and consultancy skills and capacities of some of us (as well as the desire of others to learn these skills) and look for requests (by local governments, NGOs) to tender for commensurate projects. Many of us - after the disappointments with the 'bigness' of the institutions and agencies we had worked for and in - also hoped to avoid establishing ourselves as 'self-employed' individuals and - apart from the isolation it causes - making everyone else competitors. A slowly growing group of ex-academics and former students-on-placement have now joined and we are now about 12 who also use the co-operative to distribute the income we get for the work we do. Indeed, some of us are more capable of attracting jobs and projects whilst others still are at the beginning of this kind of work and thus join projects to apprentice themselves, but they still need an income. In some ways, we try to pay people on the basis of their *needs* rather than on the basis of the assumed intrinsic value of their work.

We are becoming more successful at obtaining - especially small to medium - projects and organisations now approach us to undertake project work for them. Whilst I certainly have felt the burden of being central to too many of such projects, gradually other worker-members are now very capably coordinating research and consultancy projects and providing leadership to others. Initially, three members with previous experience banded together to do a 'social impact' study for a Local Council and we have meanwhile completed well over twenty projects, involving five or six 'regulars' and at least ten other people on a more casual basis.

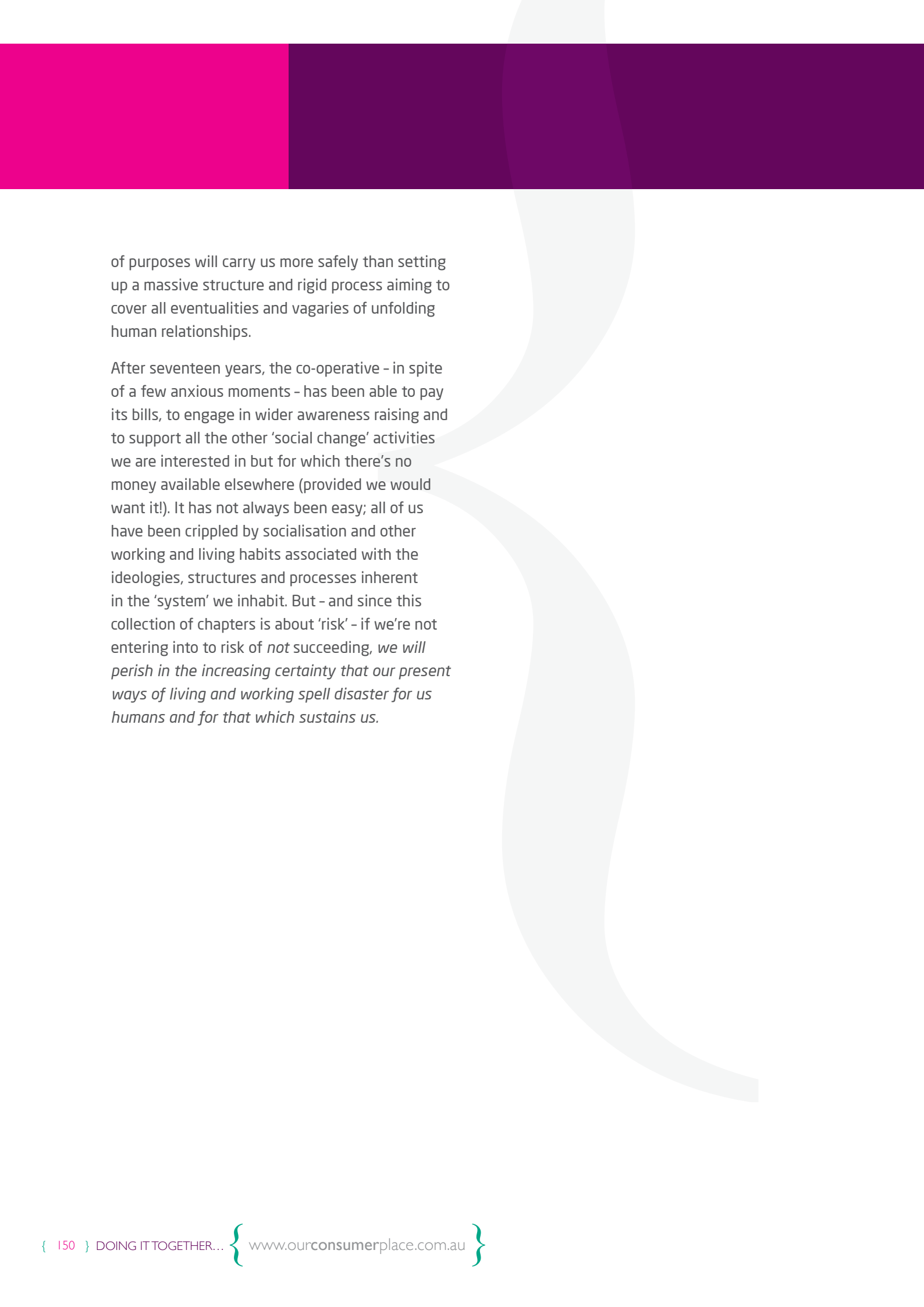
In addition to what I said about the 'distributive' practice at Borderlands, we try to experiment with mixing and matching (lowly!) paid work, voluntary work, 'apprentice' work (notably by the many students who have been on placement at Borderlands) and 'bartering' work. Indeed, early on we decided to establish a 'Local Energy (or Economic) Trading System (LETS)' which has had - at its peak - over 100 members and which is, after a slump caused by our moving premises and by the loss of some very active members, slowly gaining new momentum. Whilst I cannot go into detail (see Lietaer 2001 and Boyle 1999), LETS is equally one of the features of the newly evolving 'social economy', based on bartering between members of a local community and it is spreading rapidly on a world-wide scale. As with the co-operative, LETS intends to change working and living relationships between members of (local) communities and to help regain degrees of control over the means through which local people sustain themselves.

As to the financial survival of the Co-operative, we developed a loose formula, which leaves about 20% of the project 'income' to the co-operative and the rest is distributed amongst those who do the work and possible other project costs. We have received donations and we create sustaining 'overlaps' with other small organisations and capitalise on our joint resources. Rather than considering a specific 'niche' in which we are meant to belong and of which we are meant to be owners and 'experts', our holistic understanding of the task at hand for the alternative movement is that we need to be '*all over the place*' and affirm and celebrate the connections between the fragments into which those who govern us (have wanted to) relegate us. In that sense, we certainly attempt to fulfil the educational and community-

building principles mentioned before as central to the co-operative idea.

Decision-making - in practice - occurs on three 'levels'; there are five elected Directors who, as usual, are responsible for the operations of the co-operative; we have, however, always invited anyone to come and attend meetings and members have done so. We have had four partial turn-overs of Directors, both indicating that there is willingness to become more responsibly involved in the operations of the co-operative as well as providing the necessary continuity. On another 'level', are the 'regulars' at Borderlands (either involved in projects, doing administrative work or being volunteers) who make day-to-day decisions as they become relevant given the 'flow' of activities. Finally, we use our quarterly newsletter and the website and the AGM reporting requirement as means to be transparent to all - even to those who are not 'technically' members. And yes, looking enviously at Maleny (Metcalf, 1995), we can improve on all of those...!

Conflict - in as far as it has occurred - has been dealt with informally; it is quite unavoidable for people, who have for much of their life been involved in competitive rather than co-operative work and living processes and contexts, to bring some of the fears and expectations and attitudes into an alternative environment. Many of the formal processes set up in the 'regular' economy and work settings can be identified as part of the problem we want to address and where possible alter. Whilst there is recognition that we need to comply with certain formal demands about workplace regulation and such, we are confident that our pragmatic approach - dealing with issues as they come - and the friendship and love we have for one another as well as our commonality



of purposes will carry us more safely than setting up a massive structure and rigid process aiming to cover all eventualities and vagaries of unfolding human relationships.

After seventeen years, the co-operative - in spite of a few anxious moments - has been able to pay its bills, to engage in wider awareness raising and to support all the other 'social change' activities we are interested in but for which there's no money available elsewhere (provided we would want it!). It has not always been easy; all of us have been crippled by socialisation and other working and living habits associated with the ideologies, structures and processes inherent in the 'system' we inhabit. But - and since this collection of chapters is about 'risk' - if we're not entering into to risk of *not* succeeding, *we will perish in the increasing certainty that our present ways of living and working spell disaster for us humans and for that which sustains us.*

Endnotes

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