

Brexit

Taking back control the co-operative way



Introduction

As the dust begins to settle on the vote to leave the EU, we set out our position and plans on how co-operatives can fit into a post-Brexit Britain. Two months on and the consequences of the vote to leave the EU are still hard to get a handle on. Something this big takes many years to play out. That said a few things are clearer now, mostly by virtue of the bewildering speed of events in the immediate aftermath.

The first 24 hours aside, the immediate market response to the vote was not panic and systemic crisis. Perhaps that's because facts move markets more than uncertainties. Conversely, uncertainty and concern over the UK's future trade deals with the EU and the rest of world has damaged economic confidence in some quarters, and growth is expected to slow. We now know the pace of Brexit will be as steady as political realities and EU treaties allow. And we're seeing how the vote, and the motivations and emotions behind it, have jolted the political establishment across the spectrum into significant repositioning and realignment.

Brexit will affect every part of Co-operatives UK's mission to promote, develop and unite co-ops, just as it will affect every one of the 7000 co-ops in the UK, regardless of who owns them and what they do. As a network of co-ops we need to approach Brexit carefully and confidently.

If Brexit means Brexit, what does it mean for co-ops?

Where now?

Co-operatives UK has undertaken a series of initiatives since the referendum in order to gather and represent the interests of co-operatives. We have written to David Davis, the Secretary of State for Exiting the European Union, to ask that the interests of co-operatives and mutuals are safeguarded in the Brexit process. Through the co-operative census, we are surveying members on what they consider the likely implications of Brexit to be for their organisation. We are also organising a roundtable for farmer co-operatives to develop a shared strategy for the UK's future agricultural policy. The outcomes from this roundtable will be put to the farming minister in a meeting scheduled for November.

More than anything, though, we have been giving a lot of thought to what we want to achieve; now, during Brexit, and once the UK is out of the EU. This means forming a long term vision for co-ops in the UK seen through the lens of all the risk and opportunity Brexit creates. Something positive and radical that's also popular and achievable.

Taking back control - the co-operative way

We should be clear: a great deal wasn't right before 23 June. A lot of disillusioned, disenfranchised and dispossessed people voted to leave the EU. Much of that vote was borne out of lost confidence in the ability of our economy and society to deliver fairness and opportunity. For many of those left behind by globalisation the Brexit campaign's 'take back control' slogan resonated strongly. And in the aftermath the Prime Minister has frequently spoken of the need for people to take ownership of what matters in their lives and to build an economy that works for everyone.

Right now there is genuine interest in how outcomes for inequality, opportunity, productivity and social cohesion are influenced by the distribution of ownership and control in our economy and society. We need to convince people that this focus is correct and demonstrate how co-ops can make a real difference to people's lives. The reason why control has become such a potent rallying cry is not hard to see. Our economy has become more complex, decisions more distant and politics less able to shape what happens in society. The make-up of local high streets and job markets are determined by global market forces as much as the needs and capacity of local people. A growing number of us are struggling to make sense of and respond to the challenges of technological disruption, the changing nature of work, poverty, inequality, austerity, migration and climate change.

A vision for the UK

If the UK is to have a brighter future we need today's political rhetoric about ownership and control to deliver real results tomorrow. We'll need that fairer more sustainable economy, with decent work, resilient businesses, stronger communities and better services. And outside the EU we'll need a new model for responding to globalisation that lets all this happen.

If, in 2030 say, more business is done through co-ops that's more business done with purpose as well as profit. It's a greater focus on creating value and sharing wealth instead of exploiting positions of power and extracting rents. It is more workers co-owning their businesses and making sure their productivity benefits themselves and their communities. It is more self-employed workers collaborating freely while providing each other with solidarity and mutual aid. It is more communities owning key assets, generating more of their own energy and driving local wealth creation. And from housing to social care, it is more people working together, with the state, to look after each other's needs and aspirations.

Crucially, in an uncertain world people will need to get to grips with the challenges they face by organising around common goals and taking ownership and control of the means to make things happen; with pragmatism, solidarity and enterprise. The UK will need co-ops.

Our Brexit principles

Does leaving the EU make it easier or harder to achieve any of this? Given the massive scale of the task in hand, it will be all too easy for the interests and potential of co-ops to be overlooked and marginalised by government. If our vision for 2030 is going to happen co-ops need to work together now to minimise the risks and maximise the opportunities in Brexit.

At a policy level Co-operatives UK is starting out with three overarching 'Brexit principles':

1. **Despite the Brexit workload for government, our basic policy needs must still be met**
2. **Co-ops should not be put in a disproportionately worse position by the Brexit process**
3. **The potential for co-ops to give people control and build a better economy should be harnessed**

In the coming months, as Brexit negotiations begin, our policy work will be guided by these principles. And in the end the point is for government to be guided by them too. But this has to be about more than politics. Governments can't make a more co-operative economy; at most they can play a smart facilitating role. Local action will be as important as national policy. While it is essential that co-ops capture some of the debate around ownership and control, this means reaching out to communities and social movements as much as to politicians.

If we're going to start winning arguments about the benefits of co-operative control, we need evidence and a practical cohesive strategy for co-operative development. This is all in train, but we cannot do it alone.

Thousands of businesses, one network

Co-operatives UK is the network for Britain's thousands of co-operatives. We work to promote, develop and unite member-owned businesses across the economy. From high street retailers to community owned pubs, fan owned football clubs to farmer controlled businesses, co-operatives are everywhere and together they are worth £34.1 billion to the British economy.

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