# **E: EMPOWERMENT**

## Francesco Burchi, Sara Vicari

The role of co-operatives in reducing poverty and fostering human development has been increasingly acknowledged in the academic literature (Sen, 2000; Birchall, 2003, 2004; Bibby and Shaw, 2005; Münker, 2012; Vicari and De Muro, 2012; Vicari, 2014) and by international institutions (FAO *et al.*, 2011; United Nations, 1992-2013). The emphasis has been placed especially on co-operatives performing according to the principles and values identified by the International Co-operative Alliance (ICA) in 1995<sup>1</sup>. These 'genuine' co-operatives adopt participation as way of working (Sen, 2000). Notably, participation is a valuable process in itself, because as such it empowers people (Alkire, 2002). Therefore co-operatives not only contribute to poverty reduction by enlarging members' well-being outcomes (Birchall, 2004; Vicari and De Muro, 2012); by promoting a participatory approach they empower people, particularly the most vulnerable, such as women living in patriarchal communities, youth and indigenous minorities.

In what follows we investigate the relation between empowerment and 'genuine' co-operatives, also providing some findings about how the process of participating in a co-operative can have a spill-over effect in other domains of members' life, such as household decision-making.

### What is empowerment?

Definitions of empowerment can be gathered into two major classifications (Alsop *et al.*, 2006). The first one considers empowerment as an expansion of *agency*: agency, in turn, is the ability to act on behalf of what you value and have reason to value (Rowlands, 1997; Ibrahim and Alkire, 2007). The second definition focuses on the social and institutional preconditions

<sup>&</sup>lt;sup>1</sup>According to ICA, the co-operative is defined as an 'autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise'. The principles inspiring co-operatives are (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 among co-operatives and (7) concern for community.

required to exert agency (Narayan, 2002; Alsop and Heinsohn, 2005). This is the approach followed by the World Bank in the 2000-2001 World Development report where empowerment is defined as a process of 'enhancing the capacity of poor people to influence the state institutions that affect their lives, by strengthening their participation in political processes and local decision-making.' Similarly, Narayan (2002) defines empowerment as an 'expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control and hold accountable institutions that affect their lives. She develops this framework mainly into two blocks: institutional climate and social political structures (to build the opportunity structure); and poor people's individual assets and capabilities and poor people's collective assets and capabilities (to build agency). In this approach, empowerment is a product of the interaction of these two blocks, while in the approach followed by Ibrahim and Alkire, empowerment is exclusively considered as an expansion of individual agency. Certainly, the institutional context where the choice is made and the power is wielded is extremely important, and concerning this, Ibrahim and Alkire (2007) agree that 'clearly a process of empowerment is incomplete unless it attends to people's abilities to act, the institutional structure, and the various non-institutional changes that are instrumental to increase agency.'

#### **Empowerment and co-operatives**

Considering empowerment of members as a dynamic and multi-domain process, participation in a co-operative may be considered the manifestation of agency in a particular domain, that is, the one of participation in collective actions. While the existence of this kind of agency could be considered as a precondition for a genuine co-operative, co-operative behaviour can foster changes in the power dynamics and could have a strong impact on the relational and individual dimensions of members' life. Here Rowlands (1997: 115) pointed out the existence of a circular inter-relationship: 'participation in the group may feed the process of a personal empowerment, and vice-versa.'

Indeed, genuine co-operatives, as participatory enterprises, have the potential to activate democratic processes, involving more people in social-choice formation (Hill, 2005). It follows that genuine co-operatives can contribute strongly to the spread of new knowledge, values and processes and bring about the meaningful empowerment of groups usually relegated to subordinate positions, such as small-scale farmers and, above

all, women in rural areas. In this way, participation in co-operatives can contribute to widening human choices and foster more equal gender relations, helping both women and men to exercise their human agency. More specifically, in patriarchal contexts, co-operative membership may contribute to increasing women's self-confidence and self-determination and their ability to make independent choices, enabling them to pursue what they value and have reason to value, not only in the workplace, but more generally, in multiple domains of their lives (Ibrahim and Alkire, 2007; Alkire, 2009), such as household decision-making (Burchi and Vicari, 2014).

However in order for this to happen, it is fundamental to examine how the co-operative operates. On this topic, Mayoux (1992, 1993, 1995) points out that co-operatives do not automatically operate in favour of more gender-balanced relations: they can contribute to it only if they are able to challenge power structures and the unequal division of labour, which are usually transmitted across generations. She stresses the importance of addressing gender-sensitive topics such as reproductive issues or the division of labour through ad hoc training programmes in order to enable the co-operative to work effectively towards gender equality. Not surprisingly, the scant literature on the topic shows that women are still insufficiently represented in co-operatives, in terms of membership or as employees and leaders, being constrained by more limited access than men to assets and education as well as by cultural perceptions adverse to gender equality (Majurin, 2012; Rawlings and Shaw, 2013).

#### Empowerment in household decision-making

So far, few academic articles and reports have looked at the role that co-operatives could play in empowering vulnerable groups and improving women's life conditions. Among the notable exceptions, the study of Burchi and Vicari (2014) analysed the specific effect that being a member of a co-operative, where women and men have the same opportunity to participate actively, has on people's capability to participate in household decision-making and on gender equality within the household. The authors' hypothesis is that a process of democratisation activated in the workplace through the co-operative enterprise may then be transferred to the household. This relationship was tested empirically in some communities of one of the poorest States of Brazil, Maranhao. More precisely, the assumption is that greater participation by all household members in decision-making and more balanced decision-making between partners may result from a



greater demand by women for democracy and equality as a consequence of participatory dynamics experienced in the co-operative, greater openness on the part of male co-operative members to share decisions with their partner, or a mix of these two reasons. Findings obtained through quantitative and qualitative methods showed that indeed members of the co-operative have a statistically significant higher capability to participate in decision-making and share decisions with their partners in the life domains of health, household expenditures and tasks at work than other people living in the same communities but not participating in the co-operative (control group).

#### Conclusions

Co-operatives, democratic and participatory enterprises can contribute to empowering and giving a voice to the poor and to other marginalised groups, being a means of collective human agency as individuals come together to pursue goals that they value and have reason to value. Co-operatives that open their doors to women and other marginalised groups have the potential to transform societies, changing social power dynamics and activating co-operative behaviours that can be transferred to other people's domains, such as household decision-making.

Policy makers should therefore promote the enabling environment for co-operatives to flourish and contribute to the effort of reducing poverty and empowering communities. Moreover, policy makers should focus on removing obstacles that prevent women's and other marginalised groups' effective participation in co-operatives. This way co-operatives could play a role in improving the relative status of women and therefore ensure more balanced gender relations, especially in highly patriarchal societies.

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