



**Message by Juan Somavia
Director-General of the International Labour Office
on the occasion of the International Day of Cooperatives**

**Geneva
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It is timely to recall the value of cooperatives as we confront the crisis of the global economy.

With the primacy of market values, people, the dignity of work and the social dimension of globalization came to be subordinated to market dictates. And the short term logic of financial markets undermined the longer term horizon of real economy enterprises, including cooperatives. This was unsustainable and remains unacceptable.

The ILO – celebrating its 90th anniversary this year - and the cooperative movement are not strangers to such times. Both were born out of a quest for new ways of countering the individualism of markets and the inequalities and instability associated with market excesses.

A new model of globalization has become a moral and economic imperative. A fundamental requirement is for such a model to deliver on people's demand for decent work and decent lives. The Decent Work Agenda comprising rights at work, employment and enterprise creation, social protection and social dialogue, has been globally recognized as being central to social justice and a fair globalization.

Combining democratic values and economic efficiency, cooperative enterprises and organizations play an important role in realizing decent work.

The global economic crisis has transformed into a global jobs crisis. Experience tells us that labour markets typically lag behind economic recovery. And the majority of the unemployed and under employed remain uncovered by even basic forms of social protection. In these times, employment and enterprise creation and social protection must be at the heart of recovery measures.

In June 2009, the ILO's constituents – governments, employers and workers adopted a Global Jobs Pact – a decent work response to the crisis. It proposes immediate measures to protect working families. It also prepares the future and underscores that the world should look different after the crisis.

Cooperatives must occupy a key space in this different world. They play a productive and protective role. As economic enterprises and self-help organizations, rooted in communities and founded on values of solidarity and inclusion, they can help to bring needed balance between economic, social and environmental pillars of strategies for sustainable development.

They have proven their capacity to be competitive and sustainable, creating and maintaining over 100 million jobs worldwide. And they are standing up to the test of the crisis. Many financial cooperatives have shown that respect for cooperative values and principles is compatible with sound performance and growth; consumer cooperatives are reporting an increased turnover and worker cooperatives are taking up the challenge of keeping businesses and jobs alive.

The strength of cooperatives, based on democratic values and principles responsive to people, communities and the environment, must be harnessed in strategies for global recovery and development.

Cooperatives have long been a part of the ILO's approach to promoting social justice through the world of work. The Organization's Recommendation 193 on the Promotion of Cooperatives gives guidance on providing a supportive environment. The ILO also engages in programmes such as the Cooperative Facility for Africa (COOPAFRICA) a multi partner initiative to foster the "renaissance" of cooperative movements in Africa and a direct contribution to poverty reduction strategies.

On this Day, the ILO affirms its commitment to promoting cooperative development for a Decent Work recovery.

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