

THE SOCIAL COOPERATIVE: A COOPERATIVE FORM STILL IN THE MAKING*

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French social cooperatives (société coopérative d'intérêt collectif—SCIC) have existed for three years, and there are now 55 that are officially recognized. This article examines the current situation and attempts to assess these multi-stakeholder enterprises in practice. While social cooperatives have tended to be mainly active in two areas—community and personal services and the environment—the author notes a diversification in activities and a new organization by product chains. It also appears that most registered social cooperatives have benefited from a pre-existing structure, either because they resulted from its transformation or received its support. There have, however, been company failures, and the main difficulties encountered are listed in the article. The Inter-réseaux SCIC (IRS, social cooperative network) provides opportunities for exchanges and working together and should in time develop policies and programs for fostering the growth of social cooperatives.

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I need to be convinced of the advantages of the social cooperative form. What I am most concerned about is how such a cooperative is created and especially how it can operate with people with such different backgrounds and interests."

The questions raised by the person who sent this email are shared by a number of people involved in creating and developing this form, which has existed for three years. In December 2004, there were 55 social cooperatives (SCICs) registered in France. How were these first cooperatives created? What kinds of businesses are they involved in? What is this multi-stakeholding all about? As there seemed to be a lot of interest in the cooperative and nonprofit sectors in this type of cooperative enterprise, why are there not more SCICs? How do they form groups? These are some of the questions discussed in this article,⁽¹⁾ which is only meant to be a preliminary investigation as the data are still too recent to draw final conclusions.

Historical and legal background

The social cooperative (SCIC) status was established by the law of 17 July 2001 and implemented by the government order of 21 February 2002.

(2) For more information on these aspects, see *Recma*, April 2002.

(3) "Territory" is defined either geographically or sectorally or both.

Without going into great depth about the historical and legal background,⁽²⁾ it is nevertheless useful to recall a few points.

- A SCIC is a worker cooperative governed by the law 47-1775 of 10 September 1947 on the cooperative status (particularly articles 19 *quinquies* to 19 *quindecies*).
- It is first and foremost a partnership of people, like any cooperative, regardless of its actual legal trading form.
- Its legal trading form is either as a public limited company or a private limited company; it is not exempted from ordinary company taxes (corporate tax, vocational training tax, VAT).
- It must serve some social utility in the "territory" in which it is to be set up.⁽³⁾
- Company registration depends on the approval of the prefect of the department where the headquarters are located and is renewable every five years.
- Its capital is provided by a multi-stakeholder membership that by law must include employees and users of the cooperative, plus other physical persons or legal entities.
- Its business is not restricted to members only.
- During general assemblies, power is expressed either by the "one member one vote" rule or an electoral college as defined in the cooperative's charter.
- Strict rules about sharing surpluses make it a nonprofit organization.

Some of these nine features wrongly suggest that setting up a SCIC is "complicated." To those who see it that way, this partly explains the low number of creations. The SCIC managers who were surveyed prefer the expression "complex system," which applies to any organization in society. Some of them actually assert that SCICs are not so complicated if the plan is clear! As to the low number of registered SCICs (55 in the first 36 months since the form was created), this can be explained partly by the lack of tax and regulatory incentives, which had been planned and would have been the justification for registration by departmental prefects, and partly by the change in the relationship between partners—the change in business culture—that multi-stakeholder membership involves and which is needed for setting up any SCIC.

Types and locations of existing SCICs

Types of businesses

The website www.scic.coop is a forum used by the general public for asking all sorts of questions. One recurring question is "Do you think that such a business can be run by a SCIC?". The answer is always two-sided. Yes, any business can be set up as a SCIC on the condition that the organization and objectives promote the public interest. The following list shows the current variety of SCIC businesses.

- Car rental.
- Culture (music, arts, heritage).

- Education.
- Employment cooperatives.
- Environment (conservation, protection, recycling).
- Film.
- Finance.
- Hairdressing.
- Health.
- Helping enterprise creation.
- Housing, real estate.
- IT services (consumer or specialized).
- Local services (trades, personal services).
- Restaurants.
- Risk prevention.
- Services for the deaf, hearing-impaired and the blind.
- Social services.
- Sports.
- Technological innovation and research.
- Training.
- Wood products.

Any classification has its share of arbitrariness and imprecision. The categories “car rental” and “hairdressing” say nothing about how these SCICs operate—the first as a car-sharing scheme, and the second is hairdressing for people with very low incomes. The same could be said for every category listed above. The “sports” category, for example, includes both a generalist SCIC and a specialist SCIC—the first offers any customer, public or private, anywhere in the country, services for organizing sporting events; the second is a training center for sailing races.⁽⁴⁾ There is sometimes a confusion between the SCIC’s business activity, categorized according to the terminology used in the national industry classification system (NAF), and objectives that cut across sectors, such as social inclusion, local development, sustainable development, and promoting enterprise creation. Whatever their business, most SCICs are concerned with these objectives, especially the first three. Some SCICs explicitly list them as their main purpose and are registered as “social inclusion enterprises” (five SCICs) or “social solidarity enterprises” (three SCICs).

SCIC businesses can be divided into two main groups:

- personal and community services (social services, health services, sports, culture, education, housing, etc.);
- the environment and related areas (nature conservation, recycling, natural and cultural heritage).

Personal services and the environment are two sectors where needs are increasingly pressing while society as a whole fails to provide adequate responses. How can all of the demand for personal services be made solvent? How can all the regulations concerning the environment be enforced? While SCICs are not the only ways of innovating and providing solutions, they have the particularity of bringing together a group of partners around

(4) For more details about individual SCIC businesses, see www.scic.coop and click on the menu “Liste des Scic agréées.”

a project. Because these partners have different particular interests, SCICs can help clarify needs and mobilize available resources, whether they be human, financial or technical. Their public-interest objective, which takes priority over members' interests, attracts partners who would have hesitated without the cooperative framework and the SCIC's way of working.

The growing range of businesses run as SCICs has gradually led to new kinds of categories. For example, a project started by the Centre de promotion de la pierre et de ses métiers (CPPM, center for promoting stone and stone working trades) and the Agence de valorisation des initiatives économiques (AVISE, agency for developing economic initiatives), with the help of the IRS, has entered its second phase. The twelve proposed SCICs have been studying how the SCIC form can help them organize a sector that today struggles with foreign competition, among other things, and suffers from skills that are disappearing and a lack of training opportunities. We now hear of a SCIC "stone" sector. Another project is studying how SCICs can be a vector for new synergies and help bring greater professionalism to the sporting world.⁽⁵⁾ Will we soon be hearing more about sports SCICs? Another example is the New Cooperatives and Rural Regions project started by DATAR (regional development agency) following a meeting of the CIADT (inter-ministerial commission on planning and development) in September 2003 confirming the fact that the existence of SCICs is related to the needs of a region and that SCICs bring together interests and funds, both private and public, to create new synergies. The twenty cooperative proposals selected are located around the country and have the twin objectives of creating a business in a rural area and forming an official partnership with local government.⁽⁶⁾ These two parameters are the features of a possible new category.

In the course of several meetings between members of the Fédération nationale des sociétés d'économie mixte (FN SEM, national federation of mixed-economy companies), members of the Inter-réseaux SCIC (IRS), AVISE and some sections of the ministère de l'Agriculture, de l'Alimentation, de la Pêche et des Affaires rurales (ministry of agriculture, food, fishing and rural affairs), it was mentioned that the mixed-economy company status could be too complicated for certain projects, particularly in rural areas, and that the SCIC form could be an interesting alternative in some cases. The conclusions of the New Cooperatives and Rural Regions project, which ends in 2006, will undoubtedly provide arguments for supporting or revising this proposal. This could open a new field of investigation for SCICs centered on economic and social development in rural areas.

Yet another example is existing SCICs that want to use their experience to develop and support new SCICs with exactly the same business in new regions. SCICs involved in waste management sector and in culture are starting to be heard of. A few SCICs are also involved with creating second-level cooperatives for pooling services, which produce economies of scale and marketing power. They will be yet another type of SCIC.

(5) Study by the SCIC SED (Aubagne) commissioned by AVISE and the ministère de la Jeunesse, des Sports et de la Vie associative.

(6) The need to understand new cooperatives better and make them better known, as well as assess their contribution to the development of new services around the country, led the government—during a meeting of the Comité interministériel de l'aménagement et du développement du territoire (CIADT) on 3 September 2003—to set up an experimental project called "New Cooperatives and Rural Regions." Funded and jointly managed by government (DATAR, ministère de l'Emploi, du Travail et de la Cohésion sociale, ministère de l'Agriculture, de l'Alimentation, de la Pêche et des Affaires rurales, ministère de l'Économie, des Finances et de l'Industrie, Délégation interministérielle à l'économie sociale) and the Caisse des dépôts et consignations, this experimental project also receives funding from the European Social Fund (ESF). It is coordinated by AVISE. Mairie conseils and the Inter-réseaux SCIC are associated with the project.

The some three hundred projects currently identified by the IRS demonstrate that the range of business activities covered by SCICs is widening. And the classification will be expanded with the arrival of the SCICs created in 2005 and 2006.

Origin of creations

The complex (and not complicated!) organization of SCICs mentioned above hardly allows creations from scratch. As stipulated by law, any registered company or nonprofit organization can be turned into a SCIC without changing the legal entity. A business can thus be set up in a given sector under a better known legal form (nonprofit organization, cooperative, or a conventional company) and gradually evolve towards the SCIC requirements (multi-stakeholder membership, nonprofit status, registration, etc.) without hampering the start of the business or later crippling it with charges for merging or transferring assets.

Of the 55 registered SCICs, around twenty come from the transformation of a nonprofit association, three from the transformation of a private limited company, one from the transformation of a hybrid social-economy organization (*union d'économie sociale*), and the rest are creations from scratch. In reality, these creations from scratch are almost all based on a pre-existing entity, either because the pre-existing entity that produced the SCIC did not want to turn into a SCIC itself to keep its own specific features and autonomy, or because that entity approved the SCIC put together by others and agreed to support and help it (lending skills, financial assistance, partial and temporary loan of staff, etc.).

The registered SCICs that have benefited the least from this type of support and help are today the most vulnerable. They have to acquire on their own the skills needed for managing finances, human resources, and innovative projects at the moment of their creation, which takes up a lot of energy dealing with all sorts of processes, e.g., setting up the business, sales, hiring, etc. and setting up partnerships resulting from these processes. The SCIC status then adds its own particular requirements, e.g., the collective construction of a global project, the indispensable requirement of prefectural authorization, sometimes long-term financing arrangements are needed, and all of the requirements needed for properly managing a multi-stakeholder cooperative. This is not impossible for a team that is already set up, but this is a very serious challenge for a team that is in the process of being put together.

In contrast, the registered SCICs that benefited from a previous structure can concentrate on managing the changes involved in turning into a SCIC. They have in effect acquired, or else inherited from the original organization, administrative routines, partnerships, accounting systems, etc.—elements that may change with the SCIC status and the proposed SCIC but which help focus energy on starting the new form of governance.

Closures and difficulties

Two registered SCICs have gone under since 2002. One closed because of bankruptcy and the other because of an agreed and friendly dissolution without financial difficulties. Two others are currently in administration. In all of these cases, an inadequately developed business plan put too great a strain on the cooperative's finance. However, there are various analyses that try to explain their poor performance, and they all observe problems that can apply to any company that goes under or runs into financial difficulty, e.g., a lack of business skills, insufficient support from an appropriate organization, poor assessment of market prospects, problems during the development phase, distrust by banks, bad timing of losses and then cash flow problems, etc. There are also some reasons that are specific to SCICs:

- A lack of realism. The novelty of the legal form or business activity serves as an excuse for insufficiently studying the market; diversified sources of funding are hoped for but not really provided by the various public or collective partners; equity requirements are underestimated; financial help in the beginning distorts the picture of actual market conditions.
- The multi-stakeholder partnership is mismanaged. This particular legal feature of a SCIC cooperative, which was the justification for creating the form, can become its Achilles' heel! When leadership and motivation in the multi-stakeholder partnership are lacking, various problems in some cooperatives have been spoken of, for example, "the employees are not cooperating;" "local government are shareholders, but they haven't given us any business;" "the volunteers want to quit;" "it's hard to get our customers to buy shares."
- The connection with the community is insufficiently clear. If the SCIC claims to be developing a public-interest business but this interest is seen differently, is not understood or is barely apparent, then the commercial image can suffer, dealings with local government can become an obstacle course, and relationships with competitors can prove to be conflictual: "Why is this SCIC getting subsidies and not us?," "It's not surprising they have such low prices!," "As a SCIC commercial company, you don't have the same rights as a nonprofit organization," "You aren't an ordinary company, your case is too complicated."
- The priority of the social over the economic. There is sometimes an assumption that the social objective and support, or even the enthusiasm that arises when potential partners are approached, will alone produce economic success: "Since my idea is good and others agree, I don't understand why it isn't working" or "Why don't I get help since I'm offering a service for everyone?"

These difficulties obviously call for preventive, supervisory and training measures to avoid falling into the same traps. This is why CG SCOP, which has already accepted a SCIC managing director in its training course "Professionalization for managers," is going to include some additional courses for SCICs in its program for worker cooperatives. The whole Inter-réseaux

SCIC is mobilizing its energies and experience to consolidate and perpetuate the businesses and jobs created by SCICs. And the existing SCICs realize that the development of every cooperative and their network involves both analyzing their practices and advice.

Place of business

In late 2004, there was at least one registered SCIC in thirty-seven departments in France. Twenty-five SCICs are concentrated in four regions: Ile-de-France (7), Poitou-Charentes (6), Provence-Alpes-Côtes-d'Azur (6), and Midi-Pyrénées (6). In the overseas departments, only Guadeloupe has a registered SCIC. A dozen SCICs out of the fifty-five in total set up their headquarters in a village, while the others are in cities and mid-sized towns.⁽⁷⁾

These statistics are not in themselves particularly significant. A detailed analysis would need to be carried out on local labor markets, supporting organizations, political inputs, local cultures, the functioning of cooperatives and nonprofit organizations, etc. to identify patterns and consequently how SCICs can best be developed. We are not yet in a position to establish such a diagnostic tool.

SCICs and the SCIC network

In April 2003, the twelve SCICs registered at the time were invited to a meeting of the Inter-réseaux SCIC (IRS). The GNC hosted this very first opportunity for discovering that there were others who also believed in this new cooperative form. Being able to meet others involved in similar projects was a reassuring experience after all the misunderstandings and doubts that had to be overcome! There was a common feeling that these were teething problems.

The first national meeting of registered SCICs, which was held in Valence (Drôme) in November 2003 and was organized by the IRS with support from AVISE, was more formal. After lengthy introductions, the twenty-one SCICs present began thinking about plans of action. However, as all of the SCICs were still in their start-up phase, it was not possible to develop real long-term collaborative work. The second national meeting took place in Paris in October 2004, again organized and run by the IRS, with the joint financial support of AVISE and CG SCOP. A little over half of the SCICs attended (twenty-five out of the total forty-five SCICs registered at the time, while some fifteen others apologized for not being able to come). The relaxed and friendly atmosphere showed that the initial phase of discovery and satisfaction of not being isolated was passed. The group worked on plans of action with a view towards helping each other and getting SCICs in general better established. Six groups working on issues that concerned all SCICs were set up as well as some more thematic groups according to sectors. The discussions raised familiar issues, but they were discussed from the perspective of the SCICs' specific features and ambitions. For example, one SCIC was thought to be too concerned about the commercial aspect of the cooperative, while another seemed to get bogged down

(7) A map of SCICs in France using PowerPoint can be consulted by clicking the "Documentation" menu in www.scic.coop.

in ethical principles, which are in fact followed by everyone. It was hard to find a balance between the economic and the social, which was equally desired by everyone. It was also hard to agree upon the level of public interest and social utility intrinsic to the SCIC status. With the different approaches in the discussions, viewpoints by sectors, analyses by occupation, jargon of groups and generations, ways of thinking based upon identity, etc., the SCICs were starting to experience in the meeting what they are involved in doing within their own cooperatives: multi-stakeholding! It is desirable that SCICs eventually build a long-term network. But when? In the context of this collective innovation debate, during the experimental phase of SCICs in 2000-2001, cooperative and nonprofit networks created a working party. The working method of this group was to provide information through questionnaires with SCIC entrepreneurs, summaries and reports. This productive experience forged the conviction that the SCIC—as a new space where socio-economic actors could work together—would be a source of exchanges, confrontations and new knowledge, while proving through its practices that alternatives were possible.

Today it is important that SCIC managers and members can meet, think and exchange information together, work on specific topics and together produce tools for support, communications and lobbying. As they do this, common objectives are defined. These common objectives will define the choice of the type of structural functioning and appropriate legal support when the time is right. Why rush to create an organization based on all the organizations we already know? For the pleasure of appointing a president? More seriously, is it to reassure the institutional partners who can only talk with other institutional partners? Of course that is needed, but it must be in a way that is connected with the SCIC's specific features: multiple partners, community-based, pragmatism of local needs more than bureaucratic criteria, interactive relationship between the practitioners and academics, heads of networks and other places involved in conceptualization, etc. Several agreements are being set up or planned that involve the IRS and with SCICs groups, proof if needed that it is possible to work with a certain dose of informality. The positive feedback from the DIES, the CDC via AVISE, the ministers of agriculture and employment, Macif, etc. suggests that this growing network of SCICs is being recognized. Since the movement had its first real impetus five years ago, the hoped for relationships between SCICs and between networks have had a definite collective effect that has led to the creation of economic entities by mobilizing other public and private partners.

The development of SCICs

A few guidelines proposed by IRS

- Participation. The SCIC constitutes an innovative and dynamic application of the theme of participation. It links the governance of an economic

and entrepreneurial project to the ambition to have a global effect on local development. The active and committed participation of both local actors and the members of the SCIC is an objective rather than simply a possible way of managing a business. This updated version of the participatory model is reflected in the three development phases of the planned SCIC: initial start-up, setting up the SCIC, and development of the cooperative.

- “Layering” (*marcottage*). The SCIC pursues a demanding practice of local development. Their utility connection with the local community produces solidarity among the SCICs themselves as well as with the different communities in which they are based. Rejecting a model of development in which men and women do not come first, the SCIC mobilizes economic creativity and an acute sense of responsibility by basing its model of growth on “layering.” The Italians have proved and continue to prove with their social cooperatives that this approach is an exponential factor of growth that remains faithful to the notion of being community-based and the real involvement of a maximum number of actors.
- An identity. As unique worker cooperatives whose businesses are integrated into local development, SCICs have to find a specific role alongside the other legal forms of social-economy enterprises (nonprofits, mutual societies and cooperatives). Simultaneously an enterprise selling goods or services on a market and a member of a local collective promoting the public interest, the SCIC has to refine its identity and adopt a position as well as a strategy in accordance with this objective.
- A development tool. SCICs are territorial actors that participate in local development. They can play a part in creating jobs and enterprises that last. They are run as enterprises, adopt the duties and responsibilities of enterprises, and participate in the occupational cultures specific to their sectors. Through joint research and development, networking among SCICs will enable capitalizing on and sharing their unique and conclusive experiences with all of the actors mobilized around SCICs.
- A common good. The SCIC touches upon various aspects such as enterprise creation, economic wealth creation, local development, evolution of participatory practices and enterprise management, conserving and enriching culture, etc. It is also an inseparable part of the social economy. If it can fulfill its aims, this innovative enterprise form with a social objective should eventually be seen as a “common good” by all the socio-economic partners (national and local government, components of the social economy—mutual societies, cooperatives and nonprofits—and any other actor involved in social enterprises or social change).
- European dimension. SCICs have benefited from the experiences of the Italian social cooperatives and the thinking carried out in other countries in the European Union (Spain, Belgium, Germany).⁽⁸⁾ There is common ground among the various European statutes of enterprises with social objectives, and together these enterprises will gain recognition of their specific features. All work promoting SCICs should always keep in mind the European perspective.

(8) The European program Digtus in 1998-1999.

Work in progress

- **Information gathering.** Statistics alone are unsatisfactory. The practices, issues and social innovations of SCICs need to be identified, compared and studied. Acquiring such resources depends on the support of local government and public bodies as well as certain private partners. This work will enable SCICs to develop practices similar to community education programs. All of these findings, which are valuable observational and research resources, will be widely available (particularly through the website www.scic.coop).

- **Permanent legal monitoring.** Because of the growth of SCICs, specific studies in the areas of legislation, regulations and taxation need to be carried out. On these particular points, it would be useful to have a list of legal references that could be updated regularly and which would of course include European legal references on the issue.

- **Financing.** The aim is to ensure the survival of existing SCICs and help create new ones. In this respect, SCICs are faced with the same needs as any planned enterprise: instruments for starting up the enterprise, investment finance, raising capital, adequate cash flow, working capital, etc. The novelty of the SCIC form and the way they work necessitate providing specific information to those involved in financing the creation of the enterprise, whether it be a social economy enterprise or any other type of enterprise. The IRS, SCICs, partners like AVISE, the DIES, and the cooperative banking sector will undertake this task, each dealing with the part that concerns them. The SCOP movement plans to launch a fund available for SCICs that are part of its network based on the funds currently available for SCOPs (Fec and Socoden).

- **Working groups.** As mentioned above, SCICs decided to set up working groups during their national meeting. Certain areas are cross-sectoral: help preparing the AVISE conference on SCICs in 2005, raising the awareness of local and regional government, information collection and evaluation, basic issues (ethics, internal management practices, etc.), public relations, financing SCICs and counterparts, community relations. Other areas are sectoral: technology transfer, waste management, art and culture, education and citizenship, IT, health and social services, sports.

- **Local work.** There are several locally based projects promoting the creation and development of SCICs, which are supported by the EU program Equal, regional governmental bodies, and foundations (Fondation de France and Macif). The regional associations of SCOPs are often key players in this kind of project. In addition, the UFJT and FN CUMA, which have been continuously involved in developing and helping SCICs, have been improving their ways of supporting SCICs. With AVISE, the local support schemes (DLA) and regional resource centers (CRRA) will be able to become places where SCICs can find resources.

Revolutionary!

“Events ripen, and the revolutions follow,” said Montesquieu in talking about society. Without making exaggerated claims, let us dare to apply this to social and economic developments today and look at the SCIC.

With the repositioning of the regions through the French laws on decentralization, which have been in force for over twenty years, and European Union schemes promoting regional development, these are two factors in the “ripening” of events or the evolution of socio-economic relationships. Let us not forget, of course, the backdrop of globalization. What is the SCIC doing? It completely alters the usual practice of compartmentalizing investors, producers and customers and offers a synergy of actions co-managed by all of these people through multi-stakeholding. Going back to its nineteenth century cooperative roots, it adapts the principles of democracy and public interest to the world of today’s enterprises through the electoral college system. It helps combining public and private initiative within the limits of current regulations concerning markets and state intervention through the right of local government to invest in a SCIC when appropriate. It even authorizes volunteers to contribute their skills in producing goods or services that are sold on the market without infringing on the rules of competition through the nonprofit imperative. The ripening of events prepares the revolution, but not every revolution is bloody!

Here are two examples in which the SCIC revolution has brought about peaceful change.

SCIC managers coming from the nonprofit sector have to follow managerial and supervisory procedures that are mandatory for companies, which they do not always know. On the other hand, they easily understand the principle of “one member one vote” in the cooperative statute as well as the electoral college system. In contrast, cooperative rules regarding voting rights, members’ joining and leaving, and the indivisibility of reserves are totally new to managers coming from conventional companies. Training in cooperative law or cooperative management, according to the case, has developed alongside the changes. After nearly three years, the SCIC reality has become easier and simpler. This is confirmed every time the collective project and its bylaws have been carefully thought out and thus reflect the project of all the members.

The heterogeneous nature of multi-stakeholding should imply opposing interests: beneficiaries vs. employees as the most caricatural example. However, a balance is reached within the cooperative, particularly through the electoral college system, which guarantees democracy group by group. From force of opposition, conflictual cooperation and then equilibrium, the SCIC can generate formidable synergy through the diversity of its membership, become a source of richness and be a sort of social laboratory. The CEO of a SCIC talks of “RHA” as if talking about VAT: the “rate of happiness added” is part of the SCIC’s overall strategy.

(9) Reprinted in *Coopération et économie sociale, 1886-1904*, Patrice Devillers, L'Harmattan, 2001, volume IV in the new edition of the works of Charles Gide, edited by Marc Pénin.

Cooperatives have always insisted on their economic character while asserting their right to produce “differently” which, if we stay with our theme, could be called a sort of permanent revolution. “Co-operation might conceivably be the best means of giving reality and life to that city of purely speculative economics. That it might conceivably give us that which *laissez-faire* and individualism never will—a society governed by free competition and free contract.” These were the words of Charles Gide, one of the founding fathers of the cooperative movement and theoretician of the Nîmes School, writing in the *Economic Journal* in 1898!⁽⁹⁾ He wanted to show that a remarkable effect of the cooperative system was “to restore the free play of supply and demand (...) falsified by a multitude of disturbing causes.” After recalling the main principles of the model of pure and perfect competition—that “hedonistic world (...) in which free competition will reign absolutely”—he asked, “Well, but—where is that world?” and immediately replied amusingly, “Nowhere save in the inaccessible regions of abstract thought. It has no more relation to the society in which we live, than has the world of pure geometry with the configuration of the earth or the human form.” Of course, the text has to be understood in its context, and the parameters of the 21st century have to be applied to this analysis. Having come at a moment in history in which questions are being raised about free-market economics, the SCIC expresses objectives that could be shared by many other economic actors. After all, are we really so far away from Gide’s thinking? ●