

International Co-operative Alliance – Africa A Region of the International Co-operative Alliance

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MESSAGE BY THE ALLIANCE AFRICA PRESIDENT MR. JAPHETH MAGOMERE ON THE OCCASION OF THE INTERNATIONAL DAY OF CO-OPERATIVES, SATURDAY 6TH JULY, 2019.

The Guest of Honour,

Distinguished Guests,

Fellow Cooperators,

Ladies and Gentlemen,

Receive Cooperative greetings from ICA-Africa.

Let me take this opportunity to welcome you all to this 97th International Day of Cooperatives themed, 'Cooperatives for Decent Work'. According to ILO report 2019 on World Employment Social Outlook, an estimated 172 million people worldwide were unemployed in 2018, which corresponds to an unemployment rate of 5.0 per cent. In Africa, 4.3% of working-age population is unemployed. The situation is further aggravated by the booming unemployment rate amongst young people, whose rate is expected to exceed 30% in 2019, and young people will continue to be 3.5 times more likely than adults to be unemployed according to ILO.

Working poverty continues to be widespread; around 250 million workers in Africa who are living in extreme or moderate poverty in 2018. Many workers in Africa find themselves having to take unattractive jobs that tend to be insecure and are characterized by low pay, and little or no access to social protection and rights. This leads to a very high share of insecure employment, constituting almost

90% of total employment in Africa. At 94.9%, insecure employment is the main source of employment for African youth. Gender inequality in the labour market is also a regional phenomenon.

When taking a holistic view at the trends of future of work– a growing ageing, and more urban population, growing global trade, escalating inequality, job losses through automation and digitization, and global warming, resource depletion and pollution – we must come to the conclusion that the current economic system is not sustainable.

Yesterday, *growth* was the miracle recipe to cure all social and economic ills; today, growth has reached its limits because the natural resources that fuelled it in the past are disappearing. Capitalism has reached its peak. The world needs to reorganize national economies and the global economy to achieve social, economic and environmental sustainability. Sustainable production and consumption will entail greater equality, more justice, but also less comfort and diminishing wealth.

The 2015 "Atlas of Globalization" (Le Monde Diplomatique, 2015) calls for a post-growth society whose progress would be measured by a more inclusive set of indicators than just GDP, and which would put greater emphasis on equality, on sharing, on recycling and on voluntarism and community engagement. The "Atlas of Globalization", however, also draws attention to the difficulties in building a bridge from capitalism to post-growth.

Ladies and Gentlemen:

Could an economic system built on the principles of cooperation, collaboration and sharing rather than driven by competition and profit maximization – provide answers to at least some of the problems highlighted above? Let us recall the statement of the cooperative identity: "Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others." Surely, such values, augmented by the seven cooperative principles, could provide the foundation for a fairer and more sustainable economic system.

The ICA "Blueprint for a Cooperative Decade" reminds us that "By placing human need at their centre, rather than profit, co-operatives overcome short-termism and introduce real choice in how business is done". Clearly, genuine cooperatives are people-centred, they promote equality and sustainability, they show concern for the community, and they look at the longer term. With these values and characteristics, cooperatives may indeed be more capable than other forms of business or social

Our Mission:

To be the African leader in promoting a dynamic and democratic Co-operative movement and to provide effective and efficient services through partnerships and collaboration. organization to alleviate the negative effects of global developments on jobs and livelihoods, and contribute to harnessing the positive forces of these trends. The Government of New Zealand states that "there is a need to explore and promote other options and models for people to have job and/or employment security in the future work environment *such as cooperatives* (Government of New Zealand, 2015)".

Dr. Ariel Guarco, President of the International Cooperative Alliance (ICA) once said, "Cooperatives help to preserve employment and promote decent work in all sectors of the economy. Through participation, members have a motivation to change their lives, their communities and the world,"

Inclusive and well-functioning labor markets are critical and central to the development of nations. As we celebrate this day, let us put all our efforts together in addressing the new job challenges such as a growing ageing, and more urban population, growing global trade, escalating inequality, job losses through automation and digitization, and global warming, resource depletion and pollution.

In conclusion, let me take this opportunity to welcome you all to Kigali Rwanda from 14-17th October 2019, to celebrate with us the vital contribution of Cooperatives to the **Sustainable Development Goals**, during the Cooperatives for Development Global Conference and General Assembly of the International Cooperative Alliance.

God Bless you all, God Bless Africa!

MR. JAPHETH MAGOMERE PRESIDENT, ICA- AFRICA