

UNITED NATIONS



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**THE SECRETARY-GENERAL**

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**MESSAGE ON THE INTERNATIONAL DAY OF COOPERATIVES**

**4 July 2009**

The first cooperatives were born more than two hundred years ago when rural entrepreneurs and farmers decided to pool resources and help one another to overcome their limited access to commercial opportunities. Subsequently, retail cooperatives emerged to help poor households escape the debt trap and provide access to better quality goods and services. Cooperatives have since developed in many areas, from manufacturing to financial services, spurred by the desire for a more equitable way of working and doing business.

At a time of global economic distress, this history deserves to be more widely known. The theme of this year's observance of the International Day of Cooperatives – “Driving Global Recovery Through Cooperatives” – highlights the value of cooperative enterprise. Cooperatives can strengthen the resilience of the vulnerable. They can help to establish more balanced markets for small farmers and give small entrepreneurs access to financial services. They can create job opportunities and improve working conditions.

The economic model of cooperatives is based not on charity but on self-help and reciprocity. In countries hit by the financial crisis, the cooperative bank and credit union sector expanded lending when other financial institutions had to cut back, easing the impact of the credit freeze on the most vulnerable. This highlights the importance of strong alternative business models and institutional diversity for the resilience of the financial system.

Cooperatives deserve greater support. I urge Governments to adopt policies that support the establishment and development of cooperatives. Consumers, too, can help by buying food produced by small-holder cooperatives that is traded in fair markets.

In the face of the current economic crisis, communities around the world are rediscovering the critical necessity to work for the common good. On this International Day, I encourage Governments and civil society everywhere to recognize the effectiveness of cooperatives and to engage with them as vital partners for global recovery and achieving internationally agreed development goals.