

# Globalization and the "cooperative difference"

by

Yair Levi

CIRCOM, International Research Centre on Rural Cooperative Communities  
Israel

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## Abstract

Opposing logics support the global capital market and cooperatives. The first, in its pursuit of maximum gain, tends to detach itself from non-economic considerations. The latter, in their pursuit of maximum member and community servicing, have to subordinate the economic to social and other meta-economic considerations if they want to preserve their difference and *raison d'être*. For the purpose of this paper and drawing on Polanyi, the separateness of the economic from other institutions of society will be denoted as disembeddedness and its contrary as embeddedness. The disembeddedness/embeddedness phenomenon can be observed at the micro and macro level and is viewed here as strongly related to the "cooperative difference". It is argued that: 1) the greater the degree of disembeddedness in a cooperative, the less it is likely to differ from non-cooperative organizations, mainly investor owned firms (IOFs); 2) the greater the degree of embeddedness in a cooperative, the more it is likely to differ from other organizations; 3) the greater the degree of global disembeddedness, the greater the capacity of mainstream economics to weaken the cooperatives; 4) the greater the degree of global embeddedness, the greater the cooperatives' capacity for asserting and defending their difference. These propositions are put to the test of empirical experiences.