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COOPERATIVE MOVEMENT AND THE SOCIAL PROBLEMS
OF ECONOMIC REFORM*

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The only "enclave" of economic independence today and, if not market, but at least quasi-market relations in our country are cooperatives. Their activity is the only proving ground where it is possible to test the reaction of various population groups and producers themselves to the spreading of these relations and to the inevitable in this case violation of equalizingly understood social justice, of traditional stereotypes and ideals of "social homogeneity".

Surely, population reaction to cooperatives is not a reaction to "market economics" in its pure form. Cooperatives are exactly "an enclave" with the deformations, inevitable for the enclave economics, that is wide spreading of all kinds of profiteering activities, corruption, monopolistic super-profits, etc. But just this makes them a representative pattern of the nearest stages of our economic reform. Since, according to the governmental plan, the reform will be carried out rather slowly, step by step, the abundance of these enclaves will become one of the most characteristic features in the transitional period.

In the course of the panel study, undertaken by the Institute of sociology, USSR Academy of Sciences, in May 1989, it is intended to study the dynamics of attitudes to urban productive cooperatives and the factors influencing these attitudes. Until now, however, only the first series of surveys has been carried out and it's too early to speak of the dynamics. Our findings allow us only to describe the present situation. We are going to carry out the surveys annually.

In 10 big cities (Moscow, Leningrad, Tallinn, Minsk, Baku, Chelyabinsk, Magnitogorsk, Kharkov, Naberezhniye Chelny) the survey was carried out on the samples of population (2360 persons), of chairmen or vice-chairmen of cooperatives (568 persons), of state agencies employees, regulating cooperatives activity (56 persons). Besides, 68 researchers were interviewed as experts, mainly the economists from the same cities.

We tried to reveal the people's attitude to a new socio-economic phenomenon with the help of a rather wide range of indirect questions: on their consumer behaviour in connection with cooperatives products (the frequency of addressing the coop-s, the reasons for addressing or non-addressing, etc.); on the respondent's evaluation of the population majority attitudes to coop-s; on the respondent's opinion about racketeering, about cooperators' incomes tax rate, about desirability of the state help to coop-ve movement, on the necessity to strengthen the state control over coop-s activities, on the attractiveness of working in the coop-s for the respondents themselves.

Our general findings do not testify to much popularity of coop-s with the population and in this sense our data are less favourable for coop-s than the survey data published by All-Union Center for Public Opinion (Studies in "Izvestiya", September 1, 1969). However, our data don't give ground for too much worrying. More over, we've discovered pre-requisites for more positive attitude to cooperatives in future: that part of population which is more socially active and is usually considered to be the leaders of public opinion, has turned out to be more loyal towards coop-s than the whole sample. Thus almost on all issues more favourable attitudes are met more often among men than among women, among

people with higher levels of education, and people in the age before 45-50 than those older.

Those respondents who regularly turn to certain types of cooperatives goods and services comprise 14.4% of the sample, those who do it from time to time are 36.7% and 40.8% of the respondents never use cooperatives products. In the majority of the cities people mainly turn to cooperatives when no such goods and services are provided by the state enterprises, or when their purchase in the state sector of economics requires an enormous lot of time. The reason for which people avoid turning to cooperatives are high prices and low quality of goods (or lack of quality guarantee), that is just those factors which would lead a producer to ruin if there were a normal competition. The only reason for cooperatives surviving in these circumstances is practical absence of competition on the part of state economics. We may suppose that what irritates people most of all is the lack of alternatives, they feel deprived of any choice, "seized by the throat". It may be mentioned here that at the very beginning the cooperatives were supposed to be an addition to the state enterprises, however; very often these enterprises, after having received some independence, are decreasing the production of those goods and services which low prices are not profitable. Cooperatives occupy this "niche" since they have more opportunities to raise prices according to the demand. Hence the customers easily fall under the impression that this cooperators who are to blame for prices increase.

This phenomena will be probably spreading in future, during the reform if enterprises-monopolists have the opportunity to inflate prices.

Those who don't deal with cooperatives "on principle" are not

numerous (5.8%). They are mostly people over 50 and there are much more women among them than men.

The answers to the question whether cooperatives favour the market satiation with goods and services were rather unexpected. It would seem the very reason for cooperatives development is the market satiation. However the positive answer do not prevail over the negative ones (38.5% and 34.9%, respectively), with great territorial difference: in Tallinn it is 45.4% and 29.8%, respectively; in Minsk it is 44.1% and 26.8% and both in Moscow and Tbilisi it is 25% and 40%, respectively. Moreover, the majority of the respondents think that cooperatives activity lead to increasing shortage of goods (66.2%).

What may be the cause of this strange situation? First of all, the considerable part of cooperatives really works not for consumer market. Given the present state policy of supply with raw materials, equipment and working place, it is simpler for cooperatives to work for state enterprises and not for the market. This gives them guarantee in provision, saves them the trouble of market uncertainties, and gives social security. Besides, the legal acts promote such practice encouraging cooperatives to be organized at the enterprises. On the other hand, it is profitable for enterprises to "shove aside" a part of work to cooperatives, since the former have a lot of "clearing money" (in the banks on balancing accounts) and this is the way of making goods out of this money. The existence of this kind of "money" has proved to be absolutely incompatible even with such weak element of market economy as our modern cooperatives. Incompatibility of our "clearing" roubles with any attempt of introducing wide-scale economic relations is one of the main factors hampering economic reform. There

is no reason to think that lease, joint-stock and other types of enterprise would behave otherwise than cooperatives.

An orientation of considerable part of cooperatives to the goods for youth is very important. Their production is more profitable since young people are willing to pay not for quality but for the latest fashion, and here the advantage of quick change is more important than lag in technology and lack of high quality raw materials. The demand of other age groups is satisfied much worse, which is reflected in the respondents' answers. It is not by chance that positive answers to the question "Do cooperatives promote the increase in consumer goods and services?" are more met among students (62%), schoolchildren (58%) and they are met much more seldom among workers (32%) and retired persons (34%).

We want to say a few words on the opinion of the respondent that cooperatives' activity promotes the increase of shortage of many goods. Evidently there are some ground for such opinion. The fundamental incompatibility of a mechanism of demand and supply, used by cooperatives for price formation, and a distributive mechanism of governmental supply and trade can't but lead to negative results. Really, the growing cooperatives demand in raw and half-made materials doesn't influence the supply practice. In normal market economy this demand would cause tense not in retail but in wholesale trade. Cooperatives could have raised wholesale prices and in this way the production profitableness, stimulate its growth at most effectively working enterprises. In that case, even some cooperatives could have become non-unprofitable. In our economy, which is basically distributive, the difference between the trade price and demand price is received not by the producer but by a profiteer. Such profiteering existed before the organization of

new cooperatives, it is an inevitable outcome of disjunction of the two economic mechanisms. If reforms go only half-way then the state enterprise will become one of the most successfully "working" profiteer. This can either stimulate the formation of normal market, or to curtail the reforms as it had not once been already.

Cooperatives may have normal future only if market relations spread widely in our economics. The answer to two questions on "pain points" of modern cooperatives don't confirm the belief of a particular "rage" or aggressiveness of population towards cooperatives. These are the questions about taxes and racket: 38.5% of the respondents think that cooperators' income taxes should be higher than those of governmental workers; 37.7% do not agree with this. Workers more often speak of cooperatives income taxes raising (49% as compared to 26% who is against it); among employees without higher education 43% and 29%, respectively; among retired people 41% and 39%; among housewives 39% and 41%; among managers of different levels 37% and 48%, respectively; among professionals 35% are "for" and 42% "against", military men 33% and 33%, students 27% and 44%, etc.

This distribution reflects rather accurately the general evaluation of cooperatives and their activity by various socio-economic groups. It's important to stress that no group is "absolutely hostile" to cooperatives, that is "the leading" in the share of negative answers to all the questions. Thus, the answers to the already mentioned question on the role of cooperatives in increasing consumer goods shortage were more positive with workers (40% agree, 24% don't agree), as compared with other groups: employees without higher education - 43% and 20%, respectively; professionals 47% and 22%, managers of all levels - 45% and 20%, students - 42.4% and 35%, respectively. There is no strict correlation in any group

between positive and negative answers, that is the condemning of cooperatives is not very consistent. We can rather speak of the prevailing tendencies. More critical attitude is met in the groups of workers and retired people, more enthusiastic - with students of higher and specialized secondary educational institutions. Professionals and managers take an intermediate position, more favourable for cooperatives on the whole. And it is from these two latter groups that the staff of cooperatives is formed, at least their managers.

Respondents' attitude to racket and racketeers does not show any embitteredness against cooperatives: 43% of the respondents consider racketeers to be ordinary gangsters, and 21.9% think so with reserve. But 44.7% of the interviewed consider racketeers to be a part of mafia, which includes partially governmental legal officers, and 24% join this opinion "partially". Only 7.8% disagreed with the statement. On the whole, the governmental machinery was evaluated more negatively and unanimously than cooperatives.

It is interesting that the workers disagree with the latter statement in the least degree (less than 7%).

This fact, together with some others, makes us suggest that here we see not just rejecting cooperatives as they are but the feeling of sharp social dissatisfaction and tension which can be splashed out on any "enemy image" - from copperator to procurator. This suggestion is confirmed indirectly by one fact: the most severe rejection of cooperatives is found out in Moscow which is manifested actually in the answers to all the questions, though in Moscow the share of population having in general more favourable attitude to cooperatives is somewhat higher than in other cities. This may be explained by more acute sense of social tension which

is characteristic of super large cities, like Moscow. It may be assumed that in the course of the planned reform the social tension will grow. So the argument against cooperatives today and methods of "masses mobilization" for fighting them may be considered as a "pattern" of the future resistance to the reform on the part of the layers not interested in it.

The answers to the questions concerning state support of cooperatives have appeared rather well-disposed. In all regions those who think the state should support cooperatives are by 4-7 times more numerous than those of the opposite opinion. Among workers 36% are "for" and 8% are "against", among professionals - 48% and 7%, among managers - 47% and 10%, among students - 63% are "for" and 9% are "against". One third of the respondents (33%) think that "cooperatives should just not be interfered with their work". The opinion of the necessity of state support is combined somewhat paradoxically with the statement that governmental control over cooperatives should be strengthened. Probably control is not associated with hindrances.

On the whole, in various cities the desirability of strengthening or weakening state control over cooperatives doesn't correlate with positive or negative attitude to them. Evidently people think it abnormal that in present situation cooperatives are not controlled by the market due to lack of competition and also are not controlled by governmental officials, who can't do this. By the way, the more "civilized" cooperators suffer from this situation most of all, who would prefer the "civilized" bank control and tax inspection to racketeering and bribing. Therefore, in Tallinn where "civilization" of cooperators is higher, there were considerably less people against state control than in other cities.

In answers to the question "Would you like to become a cooperator yourself?" the existing contradiction of social consciousness is reflected. In most of the regions the group which has more favourable attitude to cooperatives - people with higher education - hasn't shown more readiness to become cooperators than any other group. Only in Tallinn, where people are more "well-disposed" to cooperatives than anywhere, there were more people willing to become cooperators just among the most educated group. On the whole, almost one third of the interviewed (31%) would like to work in cooperatives, only two groups leading here: students of the institutes (50%) and students of specialized secondary educational institutions (58%). We may suggest that with the increasing number of cooperatives and possibilities of working in them the share of people satisfied with cooperatives will grow.

On the other hand - and this is also one of the contradictions of our life - job in a cooperative, no matter how financially attractive it is - still has rather low prestige in mass consciousness. The answer to the question: "Would you like your children to become a cooperator?" led us to the above conclusion. If the difference between the positive and negative answers to the former question was not very high - 31% and 41%, respectively, there is sharp difference in the answers to the latter question: only 7% are willing compared to 20% who are not.

Evidently the uncertainty in the cooperatives' future plays a great role here. Only more than half of the students and school-children will be spreading. In other groups 28-35% of respondents think so, 10-15% expect the cooperatives to be closed soon. But, we believe, the real reason is not this. In our society people usually want for their children more "clean" and prestigious jobs

than their own. And we can draw a conclusion that job in a cooperative is not yet among the prestigious ones.

Thus, the job which is more attractive financially, gives more opportunities, as is clear from cooperators' interviews, more psychologically comfortable (the great majority of cooperators wouldn't return to their former jobs not even for cooperative wages, but even on managing positions or jobs connected with trips abroad) - such job is still viewed by the people as not prestigious. And may be the most important contribution of cooperatives to "perestroika" is breaking the old stereotypes and changing job prestige scale.

The answers to the open questions concerning the definition of cooperative movement and cooperators themselves are extremely interesting. All the answers have an evaluation character and are highly polarized. Here are two social portraits painted by the respondents. "Cooperation is squeezing money and driving people hard, is state insanity, an additional sore on the body of the working class" and "a form of a future development of productive relations, a step to communism, a progressive economics method, a hope for healing our economics, a norm for civilized countries, a stage which main goal is to teach the Soviet people to work honestly". A cooperator is "an element of capitalism, a swindler, kulak, a tradesman, a combinator, a capitalist, a businessman, a person who raises money to become super-rich, a Soviet millionaire" and also "a person who makes necessary goods for working people out of garbage, a worker who can and wants to do a qualified job, who wants to earn money honestly that can't be done in the state sector, energetic and clever person," etc. except for Tallinn where the evaluation was mainly positive, indignation and ecstasy were approximately equal in all other cities.

It is interesting to note that in both positive and negative answers the notions are the same - "business", "employer", "owner" but the signs are opposite. It is undoubtedly the evidence of society split on a wider issues that cooperatives evaluation. It would be interesting to check the correlation of estimation of cooperative movement and other social and political processes.

There is one more fact that attracted our attention - that the vocabulary of evaluations, especially negative ones, coincide strongly with the vocabulary of mass media. This makes us assume that the formation of a negative image of cooperatives during recent months went on under the influence of press materials. This suggestion may explain another strange finding of our survey: if for the majority of questions the answers were divided somewhat equally into positive and negative ones, the answers to the question "What do you think is the attitude of the majority of population to cooperatives?" gave sharp discrepancies: 50.1% said that "the majority denounces" and only 15.5% noted that "the majority supports". Since among the respondents themselves the share of positive answers was much higher, the notion of the "majority mood" can be taken only from press.

We think it is the task of a separate study to define the role of purposeful suggestion in population of negative attitude to cooperatives based on categoric condemning such notions as "business", "owner", "enterprising", etc.

On the whole, the survey data and their comparison with publications by other authors do not confirm the belief that "the people doesn't accept cooperatives". At the same time people are actively persuaded that "they don't accept them", and this propaganda is giving its results already, at least with less educated

part of population. The effect of such propaganda as it is can be very serious but it may be used as a pretext for restriction of cooperatives activity and condemning the mechanisms of market economics as a whole.

But what is the portrait of a cooperator?

First of all, the general information.

The age. A little more than 4% of the respondents are under 25 years of age; 16% - 25-30 years, 17.6% are 31-35% years old; 22.2% are 36-40 years old; 14.6% are 41-45 years old; 7% are 45-50 years old; 13.4% are over 50.

Thus, the idea that some particular age groups, for example "lazy youth who dream of easy life", are involved in cooperative activity is not proved.

Men comprise 85.6% of all cooperators, and this ratio is true for most cities in the sample, except for Tallinn where women make up 20%. Two thirds of cooperators have a higher education, 20% have not completed higher and specialized secondary education. There is no regularity in the share of educated persons in various cities. Thus in Moscow there are 83% of cooperators with higher education, but in Leningrad there are 62.2% of them, and in Tallinn this share is the lowest and is 48.3%. Two rather similar cities - Minsk and Kharkov, differ greatly in this respect - 51% and 81%, respectively.

About 40% of the respondents occupied leading positions before their work in cooperatives (heads of workshops, departments and enterprises), 33.9% were ordinary engineers and technologists and only 8.5% were workers. Of course, these figures do not show adequately the share of workers in cooperatives since we interviewed chairmen and vice-chairmen. But the amount of former managers and leaders is impressive and this proves that this group is not

so "bureaucratic" as it was thought of and can contribute a lot to restructuring economic mechanisms.

A little more than a quarter of respondents were candidates or members of CPSU. In Leningrad their share is twice that in the whole sample (46.2%), as well as the share of komsomol members (11.5%).

The question about incomes has turned out to be one of the most delicate ones. Only 60% of respondents agreed to answer it. The answers don't confirm the notion of fantastic cooperators incomes, though the reliability of these answers is not guaranteed. We may suppose that among those 40% who were unwilling to answer, the share of persons with high incomes is greater than the share of those who answered. But judging by the answers, the regular income of the founders of cooperatives is 250-500 roubles per month which is, from one to two mean statistical salaries of a worker. That figure was named by 28.8% of the respondents, or 60% of those who agreed to answer. The highest income figures fall within Moscow. There were volunteers who named the figure of 1500-2000 roubles and they were 7, or 1.2%. 10 persons have an income of 2000-3000 roubles, 4 persons have an income of 3001-4000 roubles and even 10 000 roubles (2 persons, both work in Moscow).

What made people to become cooperators? The respondents were suggested 7 reasons which they were to range from the point of view of importancy. It appeared that the possibility to realize one's creative potential, enterprise, business and other abilities was of the primary importance for 57.6% of the respondents; 26.7% of the respondents put that reason on the second place. Note that the answers did not differ with age or educational status of the respondents, except that within the over 45-group, 36.6% of the

respondents put that motive on the first place, and 42.2% put it on the second place. That ratio for other age groups was approximately reverse. High income motive was put on the first place by 20.4% of the respondents, while 30.9% put it on the second place. There is also no group difference, though persons with completed high education put that reason on the first place more often than those who have not completed higher education.

About one third of the respondents considered the possibility to get free from the "administrative-bureaucratic pressure" as of primary and secondary importance. It appeared an extremely important reason for the persons with specialized secondary education (mostly workers) and former managers. It seems that the administrative pressure is most sensitively felt by these categories of workers.

May the respondents idealize their motives and wouldn't admit real inducement even to themselves? It may well be: the idea that to work "only for money" is unwell was bringing home to us for too long. It is not easy now to acknowledge that you are forced by so an ignoble motive. But the other, indirect, question gave the answers that principally confirm the former conclusion. Only 14% of the respondents would return to their former jobs in the state sector provided they would have the same salary as in a cooperative. 47.1% positively stated that they would on no account do it. There are no meaningful differences between various age, social, educational groups here. Still, fewer cooperators - without much variation over groups - would be willing to return to state sector to a "leading position". One of the most attractive motives for returning to state sector is the job connected with business trips abroad. This would do almost one third of the respondents. But still those who would have refused to leave cooperatives even

on these terms were more numerous almost in all groups, the only exclusion being a group at the age before 25 years old - half of this group would have accepted such proposition, and only 17% would have denied it. But for older people the attractiveness of abroad business trips decreases, and the advantage of cooperatives grow. The free working hours at some state institutions would have been very attractive too, especially for people younger 30 and over 45, but in these groups (here) also the share of those who would accept the proposition is less than of those who would deny it.

Thus, no advantages and benefits which state enterprise can offer to their workers do not outweigh in the eyes of cooperators the main merit of their job to make decisions themselves and to be responsible for them, the freedom from the rules binding initiative and from sometimes humiliating hierarchial subordination.

These self-evaluations of cooperators, though confirmed by "check" questions, might seem not very sincere: actually in practice, as is known, cooperators prefer not just the activity which gives them "independence" but which promises great and quick profit. In fact, this reality and cooperators evaluations don't contradict each other that much. Since the activity in market economics can't be measured in the same way as the work in administratively regulated system. Here profit is motive force, an orientator, an activity criterion and a means of providing of independence.

It is important that just the threat of limiting cooperative movement gives advantage to profiteers who don't care about production development, market winning and so on. If property had guarantees and the market mechanism could be developed naturally,

these profiteers would be excluded from economic activity automatically in favor of those who invests their money into production development. And vice versa until the producer has enough opportunities and stimuli for investing money into production development, market mechanisms would cause only inflation and consumer stress independently irrespectively of subjective orientations of producers including cooperators.

To ascribe the defects of the present "hybrid" state of economics to "moral vices" of cooperators or to the market mechanisms themselves means to distort the situation. As the "enclave" market relations spread these contradictions will become more acute.

Thus there are two main motives in people's willing to work in cooperatives - striving for self-realization and independence and a wish to increase the well-being. The other motives, given in the questionnaire are more or less connected with them or are not very important for the respondents. To what extent have their expectations come true? From one fourth to one third of the respondents answered positively to this question. A little more than half of them said "Not quite". Very few were disappointed.

The answers to this question correlated with the answers to another one: "Would you like your children to become cooperators?" The share of positive answers to the latter question and some variations over socio-demographic groups correspond to the share of those whose expectations have come true.

Rather great number of those who "were not quite satisfied" can be explained in two ways - by objective non-correspondence of hopes and reality and by "the growth of expectations". The latter factor may be considered as rather constructive from the point of view of cooperatives development. Such dissatisfaction may be

a powerful incentive for production development and its perfection organization, for personality adaptation, so it may be considered as a favourable factor.

The low share of those who "are fully disappointed" is rather unexpected and can't be considered as a sign of well-being or optimism. There may be several explanations the checking of which could be a subject of special study.

First of all, we think there are much more disappointed people among those who could not start work on a full scale and thus were not included into the sample. According to statistics, there are twice as much registered cooperatives than functioning ones. On the other hand, market non-satiation, the possibility of using different "holes" in economics, paternalism on the part of state enterprises and banks save cooperatives the risk of ruin for reasons which would be natural in market economics. Then, the situation in state sector is such that it is impossible for energetic and smart persons to be fully disappointed on leaving it: however difficult it is in a cooperative, it is perceived as good in comparison. And the last, however impressive is the growth of cooperatives, they are still few and mainly those people who are psychologically prepared for such job, work in them. It may be expected that with the growth of cooperatives the share of psychologically unprepared would increase.

The cooperators' evaluation of their role in economic life, the prospects of cooperative movement development and population attitude to them are rather optimistic. Almost 85% of the respondents think that cooperatives promote market, satiation by consumer goods and services in their cities; 3/4 positively estimate the cooperatives' role in their republic (as compared to population esti-

sation - 38.1%). Only 6.7% of the sample deny this role of cooperatives. Only 13 cooperators agreed with the opinion that cooperatives activity brings harm (the highest percent of these answers was met in Moscow). Strange as it may seem, people at the age of 21-24 are most sceptically about cooperatives activity in consumer goods and services production. Only 69% of this group evaluated the cooperatives work positively, 31% don't see the positive results of their work. But people over 45 are higher in their estimations than the whole sample. It may seem paradoxical, since cooperatives are more oriented to young consumers, and in the sample of population the younger people were more positive in the evaluation of cooperatives role in the market satiation. Maybe "social attitude of older people account for this paradox: it is more important for them to identify themselves with socially useful activity. This issue also waits for further investigation.

Cooperators evaluate population attitude to cooperatives also higher than the other respondents: 38% of them expect the increase of population support and 9% - its decrease (in population sample - 15.5% and 50.1%, respectively). And here the older people are more optimistic, and Moscovites are most pessimistic.

54% of cooperators think that cooperatives would spread in all spheres (One third of the population sample think so). Only 21.6% expect cooperatives to be closed.

It also contradicts a wide-spread opinion that most of cooperatives are oriented at their rapid closing. Cooperatives behaviour is rather accounted for by their uncertainty in the nearest governmental tactical decisions.

To sum up, modern cooperators represent the more educated, economical and independent part of the society, employees and

managers who don't want to work any more in administrative system. They know their own value, have certain abilities and try to use them, and as all normal people want to do something useful for the society. In any case, we haven't discovered in cooperators any psychological attitudes to opposing themselves to the society, if we don't mean by the society the administrative system.

Fear of some authors that cooperative movement development would lead to creating new layer with specific values, opposing itself to the society, is not confirmed. Surely, the new layer is developing and it is acquiring its specific values. But these are values of a proprietor, of a person who is willing to work hard, to take risks, to be responsible for his decisions and to subordinate to nothing but the market, or in other words, to consumer. These are the values of Perestroika, and they are not opposed actually to altruistic ideals or readiness to live for general benefit. If these ideals prevailed in our society, we wouldn't have any problems today. The values of this new layer are opposed to the mixture of ideological stock phrases which have lost any real sense and are convenient for administration and parasitical consciousness which had led the country to a deadlock. Naturally, it is easier to supervise over people, whose psychology is determined by that mixture of ideas, by means of the above mentioned methods. But these methods would not work with "new" people who value ancient and well-known principles of a free and reliable producer. It is here the real hazard of a "new social layer" lies.

Unfortunately, it remains an ideal still. In practice, exploitation of people's creative potential on the basis of market mechanisms appears sometimes destructive. In their present-day form

these mechanisms are not promoted by those people whose motives and orientation correspond best of all to social needs. Working conditions under which cooperatives operate, do not stimulate competition and observation of consumers' interests but favour profiteering. Even those who would like to work otherwise can't escape it. Change of situation depends on the solution of the property problem and formation of real market and financial relationships. If Perestroika doesn't stick at the intermediate stage, then a new layer would come to life that praise new values and whom Bureaucratic apparatus fear more than a common profiteer. That layer would be able to become the main element of the social basis for Perestroika.