

# Governance as Cognition and Power: Co-operative Federations & Indigenous Governance

Brett Fairbairn, Professor

Centre for the Study of Co-operatives  
Johnson-Shoyama Graduate School of Public Policy  
University of Saskatchewan

9 July 2015  
WINS – Berlin



# Treaty 6 Territory



NS = Nova Scotia  
NB = New Brunswick  
PEI = Prince Edward Island

# Outline

- Governance as Cognition and Power
- Co-operative federations
- Indigenous governance and co-operatives



# Governance and Cognition

- Institutions: enduring complexes of norms and rules (North 1991)
- What are organizations? (Jepperson & Meyer 1991)
- “affecting the thought processes and the decision premises of employees” (Simon 1991)
  - “organizational identification” & cognitive simplification
- “interpretative systems” (Loasby 2001)
  - Organizations exist to deal with uncertainty
  - Knowledge is created & reassembled by organization



# Governance & Political Economy

- **Governance:** *“who has power, who makes decisions, how other players make their voice heard, and how account is rendered”*  
(Institute on Governance)
  - determines which interests are heard, whose cognitive simplifications become premises for action
  - “framing contests” (Kaplan 2008)
  - strategy that prevails will determine success



# Cognition + Political Economy

- Three functions of governance
  - Incentives, co-ordination, co-operation to manage strategic interdependencies among stakeholders
  - Cognitive model that filters information, identifies trends and priorities, infers future challenges
  - Legitimacy of authority
- Ideas, norms, communication
- Outcomes of effective governance
  - Ability to identify and respond appropriately to key stakeholders and to environmental changes



# Co-op federations (Fairbairn *et al.* 2015)

- Identifiable extra costs of governance
- Mixed experiences
  - Some federations have encountered difficulties
  - Others continue to thrive
- Little theoretically informed literature
- Insights from political federations
  - Varying types and characteristics
  - Interlevel co-ordination
  - Possible normative function



# Federations as cognitive/power frames

- Are there advantages to federated governance?
  - Federations have a distinct power structure – power of constituent units
  - Do federations create, access, or reassemble knowledge differently as a result?
- Local knowledge?
- Local resources (e.g. legitimacy, voluntarism)?
- Ongoing syntheses of competing interests?





# Understanding a co-op federation

ex.: Federated Co-operatives Limited

- Powerful traditions of local identity and autonomy
  - Retailing does not vary much
  - Local leadership and community involvement seem to be important to member loyalty and support
- 1980s normative idea:  
“The Co-operative Retailing System”
- Governance and renewal:  
2006 modernization strategy (leadership, research, CSR, HR, IT, Aboriginal and community engagement)





# Aboriginal co-ops in Canada

- 123 co-ops (Co-operatives Canada 2012)
- Stronger in Northern communities
  - Arctic Co-operatives Federation (Nunavut: Inuit people)
- Why not more co-operatives?
  - Negative impacts of colonization;  
Different policies of different colonizers?
  - Conflict with (imposed) structure of chief-and-council
  - Top-down development efforts (1950s-60s)
  - Not such a good cultural fit after all?



# Indigenous political economy

- Languages (Little Bear & Head 2004)
- Creation stories (RCAP, 1996; Henderson, Battiste 1997)
- Bands based on kinship – multicultural (Innes 2013)
- Relationships
  - Personal liberty; free speech & thought
  - “Law” as “internalized set of understandings for valuing harmonious relationships” (Chartrand 2013)
- Federations: Haudenosaunee (Iroquois) Confederacy, Míkmaw Concordat, Blackfoot Confederacy, etc.



# Hypotheses

- Strong institutions, weak organizations?
- Traditional Aboriginal norms and values favour complex organizational structures
- (but) Western-imposed organizational structures (e.g. “chief-and-council”) are collectivist and hinder development
- Western models may have a legitimacy deficit – idea of rational individual agency conflicts both with traditional institutions and modern band structure



# Concluding remarks

- Recognizing the importance of power and cognition in governance helps explain different organizations and their success under varying circumstances
- Federations can be a good fit where local knowledge or resources, and/or normative values of autonomy & unity, are important to stakeholders
- New cognitive models will be needed for organizations to navigate traditional and modern elements within indigenous communities



# Discussion

For more information visit:  
<http://usaskstudies.coop>

