



**Research project**

22<sup>nd</sup> April 2026

## **Transversal Working Group on Public service cooperatives**

**Proposed transversal & cross-disciplinary working group at CIRIEC International,  
upon initiative of CIRIEC-France and coordinated by Thomas Perroud and Timothée Duverger**

*This version is subject to further adaptation, based on comments to be received by interested experts  
and future participants of this cross-disciplinary working group.  
Additions from extra-European horizons are more than welcome.*

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### **Research argument**

Since the 1980s, French research on legal structures and social forms capable of providing services of general interest has not been renewed or enriched. The current consensus revolves around the idea that public services must be provided by classical commercial structures. The movement to remunicipalise<sup>1</sup> certain services in the water and waste collection/recycling sectors has seemed, marginally, to re-legitimise the use of the traditional vehicle for providing public services in France, the public institution.

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<sup>1</sup> Outside France, see the tracking/mapping initiatives:

- Water Remunicipalisation Tracker: <https://tapin.waternow.org/resources/water-remunicipalization-tracker/>
- The "Remunicipalisation" website of the Transnational Institute (TNI) and Corporate Europe Observatory (CEO): <http://www.remunicipalisation.org/>
- & their latest publication: <https://www.tni.org/en/publication/the-future-is-public-democratic-ownership-of-public-services>
- The collaborative, multi-stakeholder project: 'Municipal Services Project': <https://www.municipalservicesproject.org/>

We therefore oscillate between a traditional public structure that places political power at the centre and a private, commercial and therefore for-profit structure, without questioning the existence of other vehicles such as cooperatives, even though the French legislator has created a type of legal entity called a 'société coopérative d'intérêt collectif (SCIC)' (cooperative society of collective interest) to support this type of project, and the idea of co-production of the general interest seems to be in vogue today.

Despite this growing interest, research has not addressed the issue head-on and systematically. It is this gap that we would like to try to fill. It is therefore surprising that at the turn of the 19<sup>th</sup> and 20<sup>th</sup> centuries, when the idea of the cooperative was gaining ground and when Charles Gide held a chair at the Collège de France on the cooperative idea, there was no question of extending this idea to the public sphere. Proposals to make cooperatives a tool for public action remained marginal, despite a few doctrinal attempts under the banner of the so-called '**Régie directe**' [which could be translated into English by 'Direct State and Municipal Service'<sup>2</sup>]. Two articles are worth mentioning in this regard. In an article published in the *Annales de la Régie Directe* (No. 2/1909, pp. 62-66), Frédéric Brunet, Paris City Councillor and Member of the Seine General Council, proposed implementing a "Cooperative Direct Service Management" system for reorganising the sandstone quarry known as "Des Maréchaux".

The only study on the subject, to our knowledge, is Bernard Lavergne's book on the 'Régies cooperatives' (cooperative administrations) (1927), which is essentially a work of comparative law since it studies only one example of a cooperative in France, the Rhône development enterprise for energy production. As he noted at the time, it was abroad, and particularly in Belgium, that public authorities made extensive use of this tool of 'Cooperative Direct Service Management' for the provision of major services such as the construction and operation of railways or water distribution. In Belgium, the legal form underlying the "intermunicipal enterprises" that share the provision and management of public services between municipal operators is based on the cooperative society. Abroad, cooperatives are therefore a classic

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<sup>2</sup> Note of the translator : see Geerkens, E. (2008). From the *Annales de la régie directe* to *Annals of Public and Cooperative Economics*: 100 years of Transformations in an International Economic Journal. *Annals of Public and Cooperative Economics*, 79(3-4), p. 373-416.  
[https://doi.org/10.1111/j.1467-8292.2008.00366\\_2.x](https://doi.org/10.1111/j.1467-8292.2008.00366_2.x)

tool for carrying out projects of general interest. It offers advantages over traditional public institutions or commercial enterprises.

In reality, public service cooperatives seem to meet all the conditions for running a commercial enterprise in the public interest. Like a traditional commercial company – and unlike a public institution – it is independent of the public authorities and cannot therefore be easily used as a political tool. It is responsible for its losses, which protects the public authority's budget, but its profits must be reused to further the cooperative's purpose. We believe this last point to be crucial, as many public service companies are based on monopolies (natural monopolies when based on essential infrastructure, for example) and there is therefore a high risk of the enterprise being used as a 'cash cow', to use a management term (the example of motorways in France is certainly the most telling). If motorway companies had been privatised in the form of cooperatives, the huge profits they make – which have been documented by both the Competition Authority and the Court of Auditors – could have been reinvested in infrastructure and/or redistributed to users (particularly in the form of lower tolls).

The final advantage of cooperatives is that they directly question certain public values and encourage a rethink. Unlike public institutions, which are solely accountable to politicians, or commercial enterprises, where power depends on capital ownership, cooperatives are based on the principles of democracy and equality, which requires the public authorities that create them to consider the distribution of power, the representation of users and staff, and collaborative governance. In a traditional public service, users often have only an advisory role, whereas in a cooperative they could participate in the capital and in defining the operational strategy.

All of these elements clearly show that cooperatives can be an interesting vehicle both for realising public values and for running a commercial enterprise of general interest.

Historically, the large cooperatives of the 19<sup>th</sup> century all provided public services. History shows that, in the absence of the state, public services existed in the form of cooperatives. The working class succeeded in producing the collective services it needed on its own, following the example of the Rochdale co-operators, which started out as a weavers' cooperative and gradually diversified to provide housing, education and relief to its members.

These services were therefore initially developed on the initiative of the working class, without state intervention. Also, on the initiative of the trade union movement, mutual societies, particularly in Belgium and France, were then created to lay the foundations for our social security system.

Today, the cooperative idea has seen a resurgence of interest in the field of public action, but more so abroad than in France.

In Germany, there has been a swing back towards public service provision. While, as everywhere else, the trend was towards privatisation, there have been some striking examples of a return to public ownership. The paradigm shift brought about by the Fukushima disaster (2011) has also been reflected in Germany in civil society's relationship with public services, with a boom in cooperatives. The number of energy cooperatives, for example, increased from 66 to 700 between 2011 and 2013, and this sector merely reflects a more global trend in favour of this form of legal personality. Cooperatives no longer have the outdated image they once had<sup>3</sup>. On the contrary, this choice reflects a desire to promote citizen participation<sup>4</sup>. Research is thus converging towards highlighting a new paradigm of participatory democracy based on the institution itself<sup>5</sup>, through inclusiveness and equal participation.

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<sup>3</sup> Harmut Bauer and Friedrich Markmann, *Models of Local Public Service Delivery: Privatisation, Publicisation and the Renaissance of the Cooperative?* (Chap. 19), in Book: Wollmann, H., Koprić, I., Marcou G. (editors), *Public and Social Services in Europe: From Public and Municipal to Private Sector Provision*, Palgrave Macmillan UK, 2016.

<sup>4</sup> An empirical study on the Austrian case states: "The creation of a cooperative is therefore in principle conceivable in all areas where citizens have a direct interest in the service provision. The resulting personal initiative not only reduces costs and improves services, but also creates a new dynamic within the population, leading to stronger identification of citizens with their municipality" (Christiane Schopf, Martin Paier, *Erfüllung kommunaler Aufgaben durch Genossenschaften – PCP Public-Citizen-Partnerships*, Research Institute for Co-operation and Co-operatives (RICC), Research Report 01/2007 (<https://research.wu.ac.at/en/publications/hrsg-schopf-c-paier-m-erf%C3%BClung-kommunaler-aufgaben-durch-genosse-3>)).

See also Richard Lang, Dietmar Roessl, "Contextualising the Governance of Community Co-operatives: Evidence from Austria and Germany", *Voluntas: International Journal of Voluntary and Nonprofit Organisations*, Vol. 22, No. 4, *Governance in CSOs: Future Challenges and Perspectives* (December 2011), pp. 706-730. In this latest study, the perspective is enriched and distinguishes between two cases: cases in which municipalities use this type of initiative to discipline the community and cases in which these initiatives come from the population and therefore have a real effect on citizen engagement.

<sup>5</sup> V. Pestoff, "Towards a Paradigm of Democratic Participation: Citizen Participation and Co-production of Personal Social Services in Sweden", *Annals of Public and Cooperative Economics*, June 2009, 80(2):197-224.

The cooperative is the central legal tool, and the partnership it establishes can take two forms: public-citizen partnership and multi-partner partnership. The first is a partnership between the municipality and citizens whose purpose is to form a cooperative. In this context, citizens commit to replacing or supplementing the work of municipal services. This scenario most often arises when a city threatens to discontinue certain services. This partnership ensures the continuity of the service, but in a different form and with a different relationship to civil society. A particularly interesting case is that of the citizen cooperative<sup>6</sup>: it is owned by citizens and the municipality provides certain facilities, such as premises. Multiple arrangements are therefore conceivable between the city and citizens, with very different levels of mutual commitment. However, this partnership implies a completely different relationship between the service and citizens<sup>7</sup>.

A research on these partnerships has highlighted several factors. This cooperative model improves citizens' self-organisation and boosts participation, solidarity and social cohesion at the local level<sup>8</sup>. The second is the multi-stakeholder partnership, which brings together public authorities and/or civil society initiatives. It enables public and private actors, enterprises and citizens to come together to deliver a service. The "one person, one vote" principle can pose a challenge to this type of cooperative, and ad hoc arrangements are therefore put in place to ensure the continuity of public services.

In the United Kingdom, the 2010s saw a renewal of ideas in the field of public service management. Once again, cooperatives are at the centre of the debate. A report was even submitted to the House of Commons in 2012 on the contribution of cooperatives to the

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<sup>6</sup> This model is now widely used for the installation of wind turbines and/or photovoltaic panels on the roofs of public buildings, in order to "share" the energy produced at better rates for both citizens and municipal users who are members of the cooperative.

<sup>7</sup> H. Bauer, F. Markmann, *Models of Local Public Service Delivery: Privatisation, Publicisation and the Renaissance of the Cooperative?*, op. cit. p. 289.

Münkner, H.-H. (2012). *Der genossenschaftliche Beitrag zum Erhalt regionaler Daseinsvorsorge*. In W. George & T. Berg (Eds.), *Regionales Zukunftsmanagement, Band 6: Regionalökonomie* (pp. 330–346). Lengerich: Pabst-Verlag.

<sup>8</sup> R. Lang, D. Roessl, D. Weismeier-Sammer, "Co-operative Governance of Public-Citizen Partnerships: Two Diametrical Participation Modes", In book: *Studies in Public and Non-profit Governance, Vol. 1: Conceptualising and Researching Governance in Public and Non-Profit Organisations – Chapter: Co-operative Governance of Public-Citizen Partnerships: Two Diametrical Participation Modes*, Publisher: Emerald Editors: Luca Gnan, Alessandro Hinna, Fabio Monteduro, 2013.

provision of public services<sup>9</sup>. This report was part of the celebration of the International Year of Cooperatives in 2012. What sets this movement apart from its German counterpart is that it is a conservative initiative, with new mechanisms such as the 'right to challenge', which is a right of action allowing local communities to take over a public service previously provided by a local authority. While in Germany the movement seems to have originated in civil society, in the United Kingdom it appears to have come from the state itself. The 2009 Res Publica Foundation report entitled "The Ownership State: Restoring excellence, innovation and ethos to the public services" shows that the rationale behind the proposal to generalise the use of cooperatives differs profoundly from the German movement: it is ownership and efficiency rather than democracy that underpin the values driving the reformers<sup>10</sup>. This enthusiasm is part of the conservative idea of the Big Society, which is opposed to the Big State. The aim is to replace the state with society in the provision of public services. Reading the reports, it is clear that the idea is linked to the conservative attachment to property. The aim is not to turn citizens into owners in order to gain their attachment to the system, but to turn them into entrepreneurs. This is another notable ideological difference with German ideas. However, it would be unfair to limit the British enthusiasm for this idea to a conservative idea, as it also meets the needs of civil society<sup>11</sup>.

Many other countries are affected by these developments, which would therefore be interesting to investigate.

In addition, the project also aims to draw on economic research. It would therefore be interesting to study public service cooperatives in order to identify governance rules that are interesting from a democratic point of view in various sectors of public action. We could draw on Elinor Ostrom's work on the commons by developing study grids of successful public

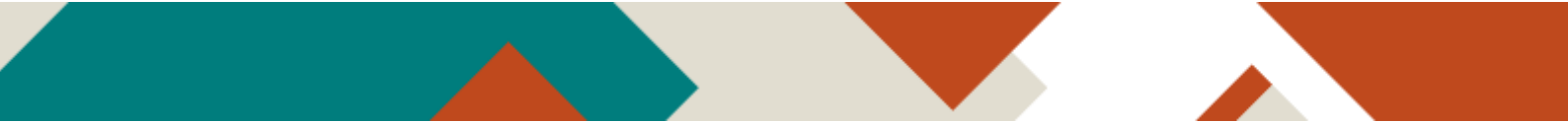
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<sup>9</sup> House of Commons. (2012). Mutual and cooperative approaches to delivering local services, Fifth Report of Session 2012–13

(<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://publications.parliament.uk/pa/cm201213/cmselect/cmcomloc/112/112.pdf> )

<sup>10</sup> P. Blond, The Ownership State: Restoring excellence, innovation and ethos to the public services, ResPublica & Nesta, 2009 (<https://www.respublica.org.uk/our-work/publications/ownership-state-restoring-excellence-innovation-ethos-public-services/>).

<sup>11</sup> C. Mills, The Civic Reinvention, *RSA Journal*, Issue 3, 2013, p. 32.



service cooperatives in order to identify more general rules that would allow this model to be generalised.

This research project therefore has several objectives:

- to provide a historical overview of the place of collective services in the first cooperatives;
- to explain the indifference of 19th-century cooperative thinking towards public action;
- to try to unearth existing cooperative practices in different fields of public action;
- to reflect on the models used and how each model reconciles commerciality and democracy;
- to study the governance rules of certain successful public service cooperatives in certain sectors in order to identify models.

This project would therefore include a historical, descriptive part; a theoretical part to reflect on the specific problems that cooperatives may pose for public action and how they are resolved in practice; and a more normative part to identify governance rules from existing practice.

An initial international study day on the subject was held on 28 March 2025 at Sciences Po Bordeaux with the support of Ciriec International, Ciriec-France and the TerrESS Chair, whose contributions could provide an initial basis for this working group:  
<https://www.ciriec.uliege.be/event-ciriec/28-mars-2025-bordeaux-france/>

## Project organisation

Working methods: working webinars and participation to the Ciriec congresses/conferences

Working languages: English (+ possibly French and Spanish for publications)

Composition of the group: Call for interest and for papers within the Ciriec network (including field experts).

Deliverables and dissemination: CIRIEC Studies, CIRIEC Working Papers, book, special issue of a scientific journal (*Annals of Public and Cooperative Economics* – APCE, or others), conference, etc.: to be determined by the working group.

### Proposed timetable:

Year 1 (2026):

- Dissemination of a call for expressions of interest
- Receipt of abstracts
- Back to authors
- Constitution of the group, inter-knowledge
- Exploration of the subject in webinars (state of art, problematization and working methods)
- Exchanges during the 35<sup>th</sup> CIRIEC Congress (Montréal (Canada), 5-8 October 2026)

Year 2 (2027):

- Receipt of final contribution drafts (approximately 1 year after submission of the abstract)
- Exchanges during seminars and discussion of received contributions drafts
- Commitment to the process of publishing scientific work
- Exchanges during the 11<sup>th</sup> CIRIEC International Research Conference on Social Economy (Bogotá (Colombia), 30 June – 2 July 2027)

Year 3 (2028):

- Academic Component: Publication + organization of debates in research circles
- Society component: Start of the popularization, targeting players and teachers (to be determined)