

ABSTRACT

Cooperative movement as a business initiative on its own right operates in the market with its unique set of principles that promote user ownership, user control and user benefit. However, despite the cooperative value system that is driven towards the social wellbeing, the image it has developed in the minds of the customers over time, is apparently in trouble with the backlash of the neoliberal market economy that promote consumerism. With this backdrop, this study mainly focusses on understanding the nexus of connections that principles of cooperatives have given rise to in creating the practices of its membership in the light of the Theory of Social Practices and Constructivist Theory of Social Systems. Quite consonantly, neoliberalism as a political theory, is critically reflected in relation to its dominant practices while shedding light on the pressure that those practices have created over the survival of cooperatives in the cotemporary neoliberal economy.

This research grew out of a qualitative study that was conducted by adopting case study method. Data for the analysis were generated by drawing on the existing literature on the subject and observation and interviews conducted in the selected two cases namely: Multipurpose Cooperative Society Ltd. Negombo and Multipurpose Cooperative Society Ltd. Dehiwala Mt. Lavinia. Building on these two cases, data gathered were analysed across the cases under the broad themes of Unity, [In]dependence, Responsibility and Competition. According to the findings of the study, it was evident that out of the main three components that are indispensable to create a social practice namely materials, competencies and meanings, the components that directly linked with human cognition were more powerful in determining practices in cooperatives. In fact principles of cooperatives that promote solidarity, autonomy and responsibility have become crucial in determining the practices of cooperative membership even overriding the influence made by attractive material components. Mainly, due to unawareness of the membership and poor management influenced by politics, cooperatives have been unable to make their cooperative principles contemporary in the neoliberal Sri Lankan market in which private retail chains are aggressively growing. Finally, it can be concluded that the principles of cooperatives have not restricted cooperatives from competing effectively in Sri Lankan retail market, yet has stopped it from companisation.

Keywords: Cooperatives, Social Practices, Neoliberalism, Image, Cross Case Analysis.