

# COOPERATIVE FUTURES INITIATIVE

## WHAT IS CFI?

The Cooperative Futures Initiative is a new initiative to greatly expand research, education and development of cooperatives. It is a coalition of cooperative leaders and organizations who believe that the co-op model has much untapped potential to meet the real needs of people and communities. CFI, itself, will not directly deliver co-op education, research or development programs. Rather it will serve as a catalyst to bring co-op organizations together to achieve three basic goals:

- Spur a major reinvestment in cooperative innovation
- Grow the capacity for much needed co-op research, education, development and advocacy
- Produce much wider coordination among existing providers of co-op education, research, and development programs

## THE NEED

At the very time globalization, technology, privatization and deregulation are creating unprecedented changes in our business, economic, and social structure; the level of cooperative R&D (research and development) and education may be at an all-time low.

Examples:

- There is no coordinated national program of cooperative research in the U.S. The primary source of federal funding, the USDA, restricts most of its limited efforts to agricultural co-ops.
- While health care, housing, worker ownership, purchasing and many other kinds of co-ops provide often compelling success stories, there is no broadbased research, development, education or advocacy system to systematically help expand and advance these advances. As a result, both public and private decision makers are largely unaware of proven co-op models.
- Many of the most respected co-op names in universities and extension systems have retired and have not been replaced.
- In the past 2 years, one half dozen states have had difficulty in filling their Extension co-op specialist positions because of a lack of qualified candidates.
- Unlike Canada and Europe, where networks of co-op research and education centers provide co-ops across the country with top quality executive and co-op leadership programs as well as providing cutting edge research and graduating

new generations of MBA's with co-op specialization, the US has only scattered and largely under-resourced co-op research programs.

- As a result, co-ops facing major challenges have to repeatedly "reinvent the wheel" by creating their own info and research in dealing with major challenges such as: capitalization; use of holding companies and subsidiaries; conversions to stock corporations; dealing with takeovers; how to remain member focused while entering and competing in global markets; or exploring the ways co-ops in other sectors or countries achieve profitability for both the co-op and members; etc.

## PRECEDENT

Fifteen years ago, the Rural Cooperative Development Task Force, a broad coalition of over 100 cooperative organizations from the national to the local level was founded to build a much-needed reinvestment in cooperative development. The results:

- The 1" major federal reinvestment in cooperatives in over two decades
- \$34,000,000 has been invested in USDA's Co-op Grants Program  
17 Co-op Development Centers have been created around the U.S.  
Hundreds of co-op projects have been launched
- Co-op development has again become a favored approach in USDA's value-added programs.

## CFI STRUCTURE

### Steering Committee

A core group of experienced cooperative leaders, educators and others committed to devoting the significant time and energy needed to launch CFI and provide on-going input and direction needed for success.

### Board

Cooperative leaders and representatives of all cooperative sectors to provide needed support and strategic direction to insure success.

### Working Groups

To provide to develop proposals and detailed action plans for advancement.

### Time Frame

Based on other similar efforts, it is anticipated that an initiative of this scope will require five years from the Discovery Phase (current stage) to full implementation.

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## Coalition

- Involvement of many cooperatives across the country as active CFI participating sponsors.
- Close coordination with national co-op groups (e.g. NCBA, CDF, NRECA, CUNA, FCC, NCFC, etc.)
- Active involvement of statewide and regional co-op organizations. (e.g.: WFC-MAC, Cooperative Foundation, state co-op councils, state credit union leagues and REC statewide associations, etc.) to maximize political reach and program effectiveness.
- International partnering with sister organizations in Canada and perhaps beyond.

## **THE VISION**

A cooperative research, education, development and advocacy system capable of serving as an engine for innovation, growth and new development while also providing existing cooperatives of all kinds with the 1<sup>st</sup> class information, education, training and research they need to compete and thrive in today's highly competitive economy.

Examples:

- Research on cooperatives as empowerment mechanisms for marginalized people and their communities.
  - Intensive review and research of four decades of co-op development in the 3<sup>rd</sup> World. How can the work of CVO's be measured, enhanced, grown?
  - Research on capitalization alternatives for growing cooperatives (i.e. Best ways a co-op can grow and compete while still maintaining its cooperative character.)
  - Self directed, internet-based co-op education for directors, employees and members (e.g. Saskatchewan model)
  - Research programs designed to address needs identified by cooperative leaders (Potential Model: Filene Institute for Credit Union Research)
  - Director training customized to needs of individual cooperatives
  - MBA programs with cooperative emphasis (e.g. University of Montreal program.)
  - Programs to reach many more high school students via getting strong co-op components in high school business, financial literacy and life skills courses (e.g. Jr. Achievement, FLBA) as well as in Vo-Ag/FFA.
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- Development and highlighting of successful innovations in approaches to effective cooperative governance. (e.g. Quadrant IV Co-ops/ Univ. of Montreal research)
- Exhaustive research on cooperative conversions/demutualization.
- Research and advocacy of "intergovernmental co-ops"(e.g. Purchasing and service co-ops made up of townships, municipalities, school districts and counties as a way to provide greater efficiency and better coordination of local government services ...i.e. Reducing tax costs and forestalling complete consolidations.)
- Research on the comparative advantages of co-ops in delivering health care and affordable housing in rural communities.

## **BOTTOMLINE**

Co-ops are a time-tested way for people to come together to provide themselves with better markets and services and a higher standard of living. Decades of experience have repeatedly demonstrated that when there is a strong co-op research and education infrastructure, co-ops grow and thrive and so do the people who own and use them. Now is the time to rebuild that system. With the active involvement of coops from across the country, the Cooperative Futures Initiative will be launched to do just that.