

My View

BY ERBIN CROWELL



Cooperating Like We Mean It

A Personal Journey to Emilia Romagna, Italy



A little over a year ago, I moved on from the worker co-op where I had been a member for over a decade. The co-op, Equal Exchange, first attracted me with its mission of fair trade—building equitable trade relationships between consumers in developed countries and marginalized farmers in Latin America, Africa and Asia. Over time, however, I realized that it was the co-op model at the heart of our partnerships that was most inspiring.

I have found that worker cooperation engages people's creativity in a unique way, encouraging them to seek solutions that contribute to the success of a shared enterprise. As a member and a manager, I've witnessed the way that worker co-ops give life to the cooperative values of self-help, self-responsibility, democracy, equality and solidarity with others. To me, it's difficult to imagine working in any other way.

My time with Equal Exchange also allowed me to witness the power of cooperation among cooperatives, specifically among different co-op sectors. As part of our commitment to developing equitable trading partnerships, we linked small-scale farmers, organized as cooperatives, with consumers. Not surprisingly, food co-ops were among our first partners in this work and remained among the most loyal over time. Cooperative financial institutions, meanwhile, helped us provide credit to our farmer partners. While I already believed in the unique power of worker cooperation, I began to see the potential for a "cooperative economy" where many sectors could work together to meet people's needs. The evidence was all around us.

This experience led to my desire to get involved in co-op development. I knew firsthand the benefits of cooperation, and wanted to explore how to make these benefits available to more people. I could also see the potential for cross-sector collaboration in the construction of a more cooperative economy in the U.S.

This past fall I had the opportunity to see what such collaboration might look like. The occasion was a ten-day tour of Emilia Romagna, Italy, that was part of my studies with St. Mary's University's Masters in Management program for cooperatives and credit unions.

Italy is an amazing destination for those interested in history, architecture and food. But it is also holds important lessons for those interested in cooperatives. Italy has more co-ops per capita than any other country in the world. In Emilia Romagna, a region in the country's northeast with a population of 4.2 million people, you'll find an astonishing concentration of these enterprises: 7,500 co-ops in total, two-thirds of which are worker-owned. Cooperatives employ ten percent of the workforce, and the region has some of the lowest unemployment rates and highest standards of living in Europe.

"I'VE WITNESSED THE WAY THAT WORKER CO-OPS GIVE LIFE TO THE COOPERATIVE VALUES OF SELF-HELP, SELF-RESPONSIBILITY, DEMOCRACY, EQUALITY AND SOLIDARITY WITH OTHERS. TO ME, IT'S DIFFICULT TO IMAGINE WORKING IN ANY OTHER WAY."

Co-ops are such a common feature of daily life in Emilia Romagna that they are hard to miss. While there, we often ate lunch at CAMST, a worker co-op that provides catering and food services across the region, and which generates about \$374 million in annual sales. A banner at a construction site we passed declared that the project was managed by CESI, another worker co-op. We visited Emilbanca, a rural credit cooperative with a proud agrarian history, which has evolved into a very modern financial institution with a deep sense of social responsibility. And the shelves in an outlet of COOP, a consumer co-op federation and Italy's largest retailer, were lined with products from producer-owned cooperatives. We visited farmer co-ops, fishing co-ops and housing co-ops. We even stumbled upon a fair-trade shop and café, only to learn that it, too, was a co-op.

The prevalence of cooperation in northern Italy is truly amazing, but it is no accident. In Italy, they cooperate like they *mean* it.

The Italian cooperative movement has an impressive history that reaches back to the 1800s. Yet the Italians also approach modern challenges and opportunities in a confident, deliberate and strategic way. The success of

this movement, I think, has to do with a few key factors, including:

- clarity about the cooperative difference
- a focus on cooperation among cooperatives
- engagement with government policy and legislation
- development of cooperative financial resources
- a "co-opreneurial" spirit whose goal is not the maximization of profit, but the expansion of cooperative enterprise.

The cooperative movement in Italy is, in fact, a *movement*. Even the Italian constitution recognizes "the social function

of cooperation as a form of mutual aid devoid of all private speculative intent."


Co-ops also seem to recognize that trade among co-ops of all sectors is not only a philosophical ideal, but is also a lever for economic development, strengthening the movement as a whole. In this sense, they recognize the true importance of cooperation among cooperatives. Co-op sectors are better integrated than they are in the U.S., collaborating through informal networks as well as more formal models such as federations, consortia and funding organizations. This, in turn, enables the movement to engage the government with greater strength, demonstrating that cooperatives are unique community assets, spanning generations, with strong values and local roots.

A key aspect of this cross-sector collaboration involves the commitment of financial resources to cross-sectoral cooperative development. Prior to my visit, I had heard that Italian law requires all co-ops to contribute 3 percent of their annual surpluses to funds that provide lending, investment and technical assistance support. But it surprised me that the co-ops themselves had proposed this law.

The development of the "social cooperative" is a particularly impressive example of what I call "co-opreneurship." Beginning in the 1980s, in response to the decline in government-sponsored health care, educational services and employment services, people began to form co-ops to offer such services themselves. In 1991, the national government passed a law that formalized the model, which contributed to a dramatic expansion of these co-ops into areas such as job training, and care for the elderly and disabled. By 2001, Italy had about 6,000 social co-ops, which employed 160,000 people, 15,000 of whom were disadvantaged workers.

I believe the cooperative movement has both an obligation and an opportunity in today's economy to make our presence better known, to make the benefits of cooperation available to more people, and to think about how we can improve upon our way of doing business. Toward this end, we can learn from the movements that have developed in regions such as Emilia Romagna.

Since returning from Italy, I've been thinking about a few important questions: How can we clarify and promote our core difference to people and to government officials hungry for alternatives? Are there opportunities to strengthen our movement through cross-sector collaboration in trade, advocacy and investment in cooperative development? Can we adopt a more co-opreneurial attitude, finding opportunities to better serve the needs of people stranded by a foundering global economy? How can we develop a confident vision for our movement that builds on the work of generations of cooperators?

In short, how can we cooperate like we *mean* it? 

Erbin Crowell currently works as an independent consultant with organizations including the Cooperative Fund of New England. He serves on the board of the National Cooperative Business Association, and is completing his Masters in Management (Co-operatives & Credit Unions) from St. Mary's University in Nova Scotia, thanks in part to a scholarship from the NCB. Write him at erbin@cooperativefund.org.