

***A “COOPERATIVE” is:***

- **a democratic business organization owned & controlled by member-consumers;**
- **governed democratically by elected officers;**
- **professionally managed/operated by professional staff;**
- **a model to redistribute wealth & resources (particularly of basic commodities as water) for the common good.**

**The COOP'S main aim:**

**EMPOWERMENT of MEMBERS SOCIO-ECONOMICALLY**

# ***ADVANTAGES TO THE CONSUMERS***

## **A. ECONOMIC BENEFITS:**

**COOP is NON-PROFIT BUSINESS ORGANIZATION.**

**“Profits” used to: 1) cover operations costs; 2) pay debts ; 3) set-up Reserve Fund vs. losses, Education Fund, & other funds) for stability/security.**

**\* A registered COOP is tax-exempt (RA 9520, “COOP Code” of Feb 2009)**

**“NET SURPLUS” (Net Earnings) given back to members:**

- 1. DIVIDENDS for capital shares**
- 2. PATRONAGE REFUNDS for members’s patronage**
- 3. Coop may directly lower costs of products/services**

## **B.SOCIAL BENEFITS:**

**A COOP IS DEMOCRATICALLY OWNED & CONTROLLED by MEMBERS --**

**Members have responsibility, right & power to:**

- 1. Discuss issues/matters affecting members thru General Assembly.**
- 2. Demand for *transparency & accountability* from *mgnt* re coop affairs & operations.**
- 2. Elect officers &/or reps to govern & manage coop.**

# ***ADVANTAGES TO THE COMMUNITY***

- 1. Devolution of socio-economic control & redistribution of wealth & resources for common good.**
- 2. Primary motive of coop - to *serve the community* (not for profit) to provide goods & services efficiently & effectively.**
- 3. Communities will learn self-help-mutual help to address community issues & concerns by mobilizing their own assets.**

# COOPS BECOME SUCCESSFUL

**ONLY IF ... COOPS**

**1. are “TOTALLY FIT”**

(Weak, sickly coops will be ineffective, not sustainable.)

**2. BECOME GENUINE VEHICLES for TOTAL HUMAN DEVELOPMENT**

**3. ADDRESS CONSCIOUSLY, INSTITUTIONALLY & EFFECTIVELY the NEEDS of the POOR.**

# COOPERATIVE'S "TRIANGLE OF STRENGTHS"



**ECONOMIC STRENGTH** - Coop's "economic health" or its ability/capability to provide services responding to members' economic needs. Healthy coop helps members become economically healthy

**STRENGTH OF SOCIAL COHESION** - Members' strong sense of belonging, support & loyalty to their coop -- the "esprit de corps," trust/confidence to stand on their own feet.

**SPIRITUAL-MORAL STRENGTH** - Members' commit to & apply coop values/principles in daily lives & transactions w/ their coops, w/c includes: honesty, integrity, democracy, equality, generosity, discipline, frugality, industriousness, social justice, voluntary service, spiritual growth

# SOURCES OF STRENGTHS



**SOUND BUSINESS MANAGEMENT** - Expertise/skills of management team to operate the business enterprise to become healthy, dynamic & commercially competitive.

**ACTIVE MEMBERSHIP PARTICIPATION** - Members’ actual support to the coop, -- growth of their shares/savings, fulfillment of financial & contractual obligations, regular patronage & participation in affairs. Members grow from unenlightened (“selfie” ) to socially enlightened

**DYNAMIC ORGANIZATIONAL LEADERSHIP** – Leaders’ constant renewal, articulation & commitment to Coop’s philosophy, principles & values to lead coop to attain its vision -mission

# **“TOTALLY FIT” COOP W/ STRENGTHS & SOURCES OF STRENGTHS**

**SOUND BUSINESS  
MANAGEMENT**

for  
**Economic Strength**

**ACTIVE MEMBERSHIP  
PARTICIPATION**

for  
**Strength of Social  
Cohesion**

**“Totally  
Fit” Vibrant  
Coop**

**DYNAMIC ORGANIZATIONAL LEADERSHIP**

for  
**Spiritual-Moral Strength**

**“TOTALLY FIT” COOPS BECOME GENUINE VEHICLES for TOTAL  
HUMAN DEVELOPMENT of MEMBERS, FAMILIES & COMMUNITIES**



# HOW COOPS BECOME GENUINE INSTRUMENTS for TOTAL HUMAN DEVELOPMENT?

- \* Coop's VISION-MISSION -- source of STRENGTH
- \* Coops to review/renew commitment to VISION – MISSION:
  - **Members benefit economically** (e.g., deposits, loans, dividends, patronage refunds, markets, insurance, quality products, sound business, good governance active members, dynamic leadership, etc.)
  - But, Coops much more than economics or money...
- \* Coop's aim is multi-faceted:
  - Instruments for peace, social justice & social transformation
  - Establish more egalitarian society -- wealth/resources, decision-making power -- more widely shared & wisely used for common good
  - **Build a better world**

**The Ultimate Aim is --**

**“TOTAL HUMAN DEVELOPMENT” = “FULL &  
ABUNDANT LIFE FOR EVERYONE.”**

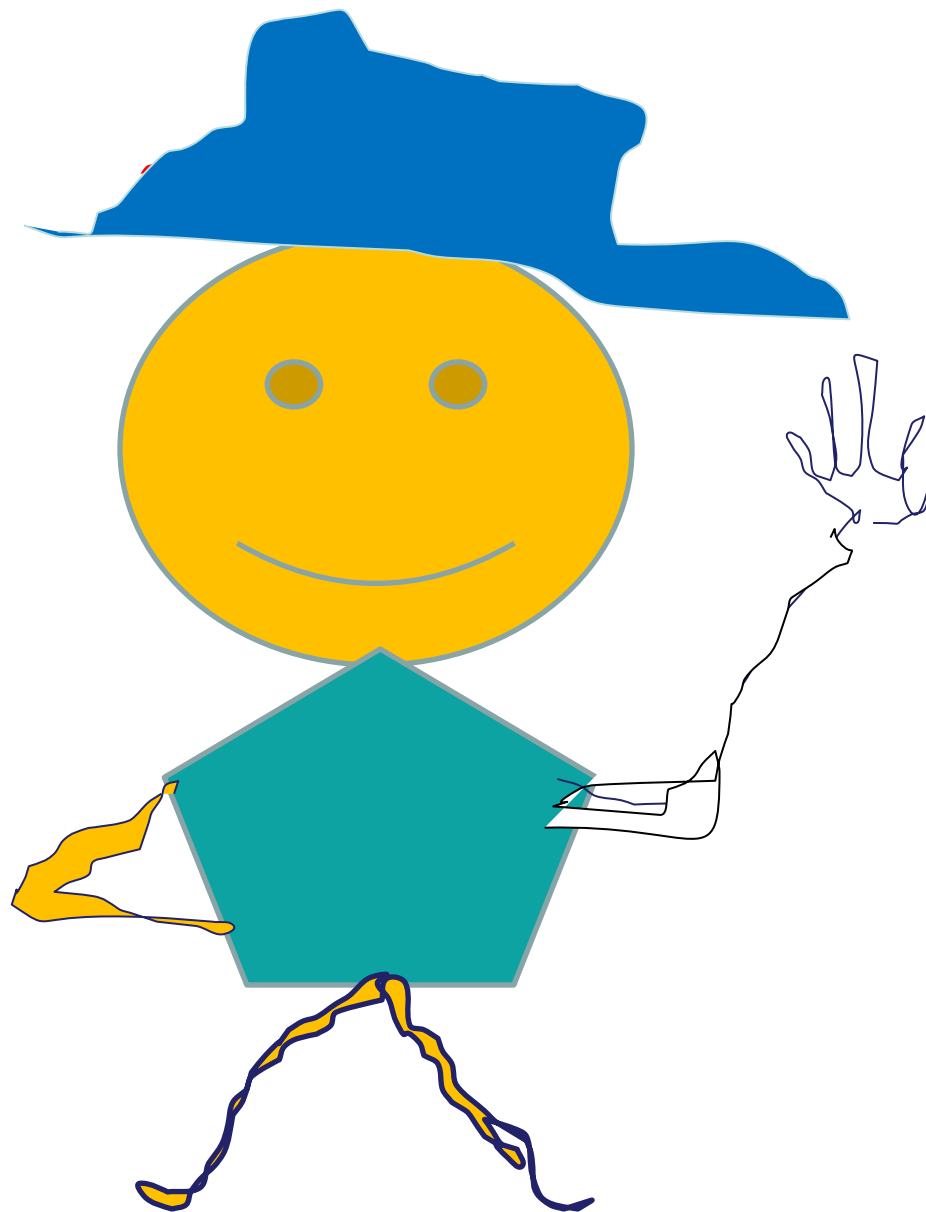
**... morally, intellectually, socially, politically,  
economically, spiritually**

**Development is to enable men & women...**

**“TO DO MORE, TO KNOW MORE, &  
to HAVE MORE in order TO BE MORE.”**

**(Populorum Progressio, Pope Paul VI, 1967)**





# HAVE COOPS CONTRIBUTED TO POVERTY ALLEVIATION?

## QUESTIONS FOR COOPS TO REFLECT UPON...

1. Do coops **directly serve the poor?**

**Impression:** Membership of coops -- mainly non- poor

2. Are our coops' services **pro- poor** and/or “**poor-friendly**”?

**Impression:** -- Poverty reduction -- not coops' main concern,  
but to provide financial services

-- Coops' services /products/culture -- not  
appropriate & not “poor- friendly”

3. Do coops **reach out to areas where the poor live?**

**Impression:** Still many good, healthy coops – not reaching  
out to the poor & areas where they live

4. Do our coops uphold the values of dignity, equality, gender-sensitivity, honesty, ethnically non-discriminatory, etc. ?
5. Do our coops support small/ medium scale enterprises entrepreneurs that provide employment to the poor?
6. Do our coops get actively involved in advocacy activities to address poverty & other social issues (e.g. land reform, environment, good governance, etc.)

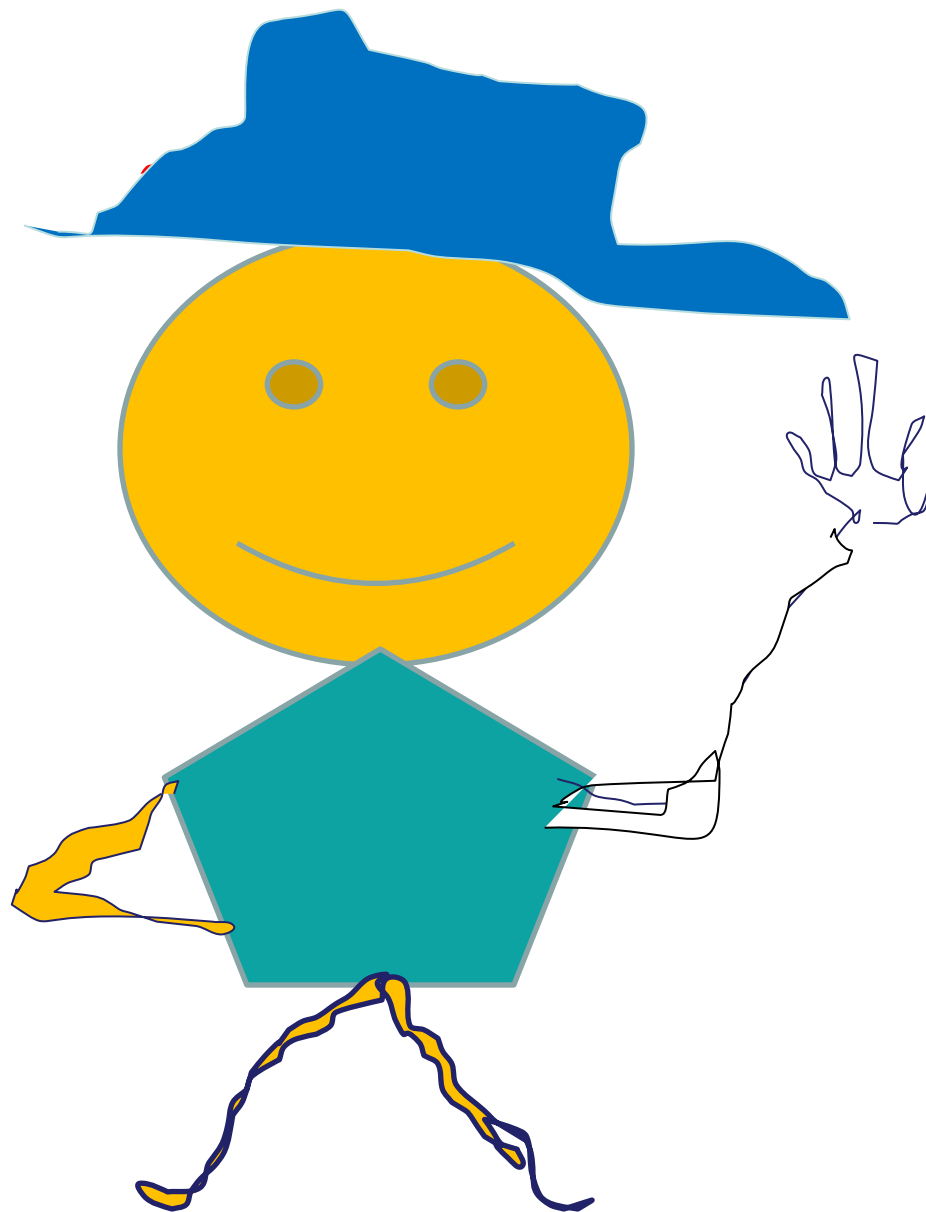
## **The ultimate, “bottom line” questions...**

**HAVE OUR COOPS ...  
DONE SOMETHING FOR THE POOR?**

**IF YES, HAVE OUR COOPS  
DONE ENOUGH FOR THE POOR?**

**CAN & SHOULD OUR COOPS  
DO MORE FOR THE POOR?**

**Coops have great potentials/opportunities to help the poor. But, they must translate these CONSCIOUSLY, INSTITUTIONALLY & EFFECTIVELY into their operations.**





# HOW COOPS BECOME GENUINE INSTRUMENTS for TOTAL HUMAN DEVELOPMENT?

- \* The Coop's **VISION-MISSION** – a source of **STRENGTH**. Coops must constantly review/renew their commitment to the **VISION-MISSION** articulated in the coop's philosophy & principles ...
- Coops **not just mere economics & good management** (e.g., deposits, loans, dividends, patronage refunds, markets, insurance, quality products, sound business, good governance active members, dynamic leadership, etc.)
- \* Coops should be **MUCH MORE THAN ALL THESE ...**