

EDUCATION FOR CONSUMER REPRESENTATION THROUGH COOPERATIVES

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From the viewpoint of consumers cooperation, there are several kinds of representation. The first, or least pretentious, is the simple individual purchase of a specific item. When a consumer casually buys a tube of toothpaste he or she "represents" a preference -- even though it may be paying too much for one among a half-dozen or so nearly identical items. The second type of representation may be different only psychologically; it is the purchase of a product from a huge profit-making corporation in which the consumer is an obscure non-voting owner of a share of stock. In this case, the real power is held by management or a few large investors, but our consumer is both a purchaser and a share owner. A third type of consumer representation may be membership in an industry or consumer advisory committee -- one which offers a chance to be heard without any assurance that the committee serves any purpose beyond window-dressing. A fourth kind of representation is informed buymanship such as is practiced by a student who takes college courses in consumer economics or by a consumer who is a careful student of the information supplied by Consumers Union. Both informal choice and refusal to buy exert influence. The fifth kind is the patron-owner of a consumer cooperative. His education is particularly important because he has a unique opportunity to exercise effective representation.

When any of us as a consumer buys from a business we own and democratically control, we have representation to a degree not found elsewhere. We're on one side of the counter as the owner and on the other as a consumer. We can make certain that the goods and services are what we want because:

1. We have an equal voice with all other member-owners -- one member, one vote.
2. We can attend membership meetings and speak up for what we want - and vote for it.
3. We can serve on the board of directors which employs the manager and holds him responsible to the board as representations of the members.
4. We have open financial records and can determine whether the prices we pay are reasonable and whether our business is efficient.
5. We know that our business is operated on a non-profit basis and that income beyond the cost of operating the business will be refunded to us in proportion to our patronage.

If we carry our story on to its conclusion, we find that our representation extends from our local cooperative to a regional association, then on to a national association. It takes us into the ownership of oil wells, refineries, factories -- all geared to represent our best interests as consumers and all directed by our elected representatives. This representation even extends to world organizations of 145 million cooperators. The 14 million U. S. families that belong to one or more cooperatives have

representation in immensely important ways. Here is an economic counterpart to our political democracy. It is of more than passing importance that the citizens of a political democracy should build democratic economic institutions to undergird the political structure.

Experience in cooperatives through more than a century has convinced many of us that consumer representation, as understood in cooperatives, requires two types of consumer education. First, education about consumer goods and services. For this we have a well-developed program. In recent years cooperative shopping centers have added home economists to their staffs. They're on duty in the stores; use test kitchens, etc. Second, education for effective participation (representation). This second type of education is now furthered by professional adult educators who are employed staff members of national, regional, state and local educational directors. They serve cooperatives of many types, ranging from the large cooperative food store to the electric cooperative and the credit union. They assist members to achieve effective participation in businesses that belong to them. Group discussions, study groups, forums, printed materials, membership newsletters, posters, films, training for directors, institutes, large membership meetings, tours -- all these are parts of the education for representation. Thirty thousand cooperatives have 150,000 members who serve on cooperative boards of directors. Thousands of many kinds of committees are also parts of this representative movement.

It is obvious from even a brief statement such as this that the cooperator finds so much of value in the representation afforded by a cooperative that he or she would not exchange it for any other kind of representation. It's "of the people, by the people, and for the people." It provides ownership and makes ownership meaningful. That's because it offers both ownership and real participation.

To convinced cooperators, there is an ethical quality about this type of representation that is consistent with our highest ideals. It is suggested by the slogan of the Swedish consumers' cooperative movement, "Not exploiting another, but serving each other."

However, it would be less than honest to recognize that cooperatives are susceptible to all of the problems of voluntary, democratic membership organizations. Vigilance must steadily be maintained to keep members alive to their opportunities and responsibilities.

The able members of our panel will now tell us what cooperators have done to establish and operate their own petroleum cooperatives, their own food stores and shopping centers; also how individual cooperators are, in turn, served by regional and national cooperatives wholesaling and processing cooperatives of which they are the proud owners.