

Spotlight on Cooperative Advantage

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Sankofa



- ▶ We need to pay attention to lessons from thinkers & doers from the past to chart a bold path forward.
- ▶ This includes indigenous knowledge and traditions.
- ▶ Many of which embraces cooperation & empathy.

Hardwired to Cooperate



- ▶ Our brains release oxytocin, boosting trust and connection.
- ▶ Neural networks help us empathize & work cooperatively.

Cooperative Advantage

- ▶ The benefits that an organization possesses and accrues due to its people-centered approach to development and sustainability.
- ▶ This encompasses engendering a spirit of care and meaningful dialogue among employees, customers, community, & the entire value chain.
- ▶ An approach rooted in African and indigenous traditions of cooperation such as ubuntu (which translates to “I am because we are”).

Unbridled Capitalism



- ▶ Myopic Focus on Extraction/Exploitation.
- ▶ Climate Crisis.
- ▶ Loss of Biodiversity.
- ▶ Workers treated as Disposable.

Rethinking Capitalism

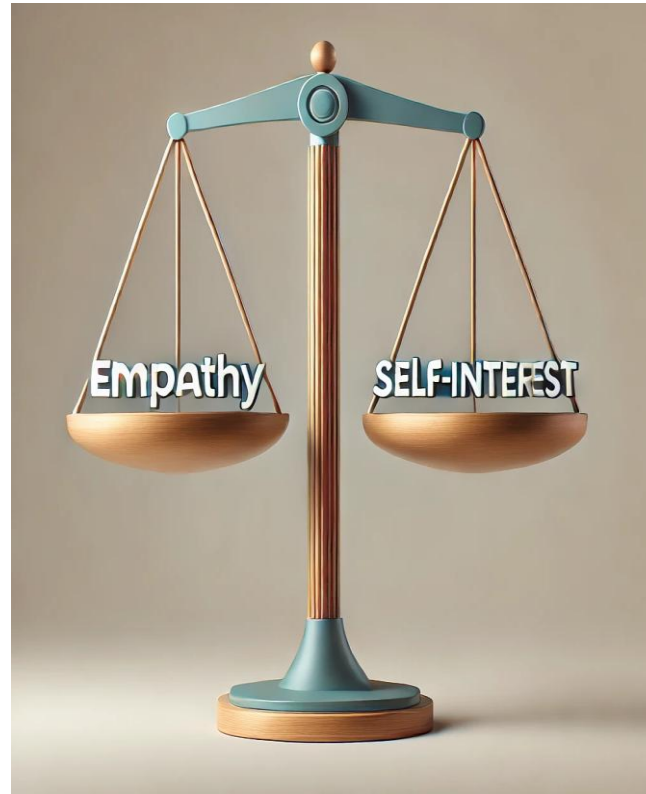
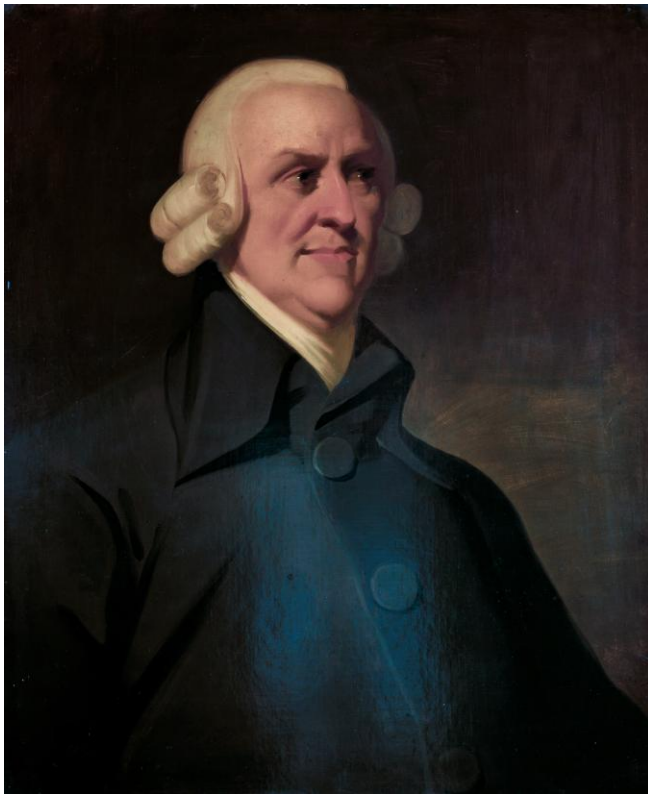
- ▶ Capitalism in its unbridled form is contributing to the brokenness of our shared humanity.
- ▶ Many firms are failing the stakeholder capitalism test, & bold steps are needed to turn capitalism into a more just and human-centered economic system.
- ▶ Rebuilding economic systems around community ownership helps restore balance to capitalism—creating space for credit unions/cooperatives that place people & well-being at the center.

Is Empathy Needed in Capitalism?



- ▶ A well-known innovator recently stated: *“The fundamental weakness of Western civilization is empathy.”*
- ▶ Another influential person stated: *“Empathy is dangerous and toxic and should be stricken from the dictionary.”*

Adam Smith - The Theory of Modern Sentiments (1759)



Adam Smith continued.

- ▶ *Man naturally desires, not only to be loved, but to be lovely.”*
- ▶ Adam Smith believed that people make better choices — in business and in life — when they care about how their actions affect others. In other words, markets work best when people act with empathy, not just for profit.
- ▶ It’s possible to re-imagine a lovelier version of capitalism by embracing empathy & cooperation via so called “alternative” models.

A Lovelier Capitalism



- ▶ Credit Unions
- ▶ Cooperatives
- ▶ B Corporations
- ▶ Social Enterprises

Credit Unions

- ▶ By prioritizing shared prosperity, environmental stewardship, and community well-being over short-term profits, credit unions offer a practical model for a more human-centered economic system.
- ▶ The founding of Caisse Populaire, the People's Bank in Quebec by Alphonse Desjardins to serve the “humblest classes”, started a quiet revolution that we can learn from.

Credit Unions cont.

- ▶ Worldwide we are seeing credit unions investing in climate change response initiatives that have the potential to make a difference.
- ▶ Cooperacion Verde in Columbia invests in reforestation and soil health.
- ▶ Sicredi in Brazil finances social energy projects with 4,000 installations through May 2023.
- ▶ World Council of Credit Unions received a \$1.8 million grant to launch a climate finance pilot in West African credit union networks across Benin, Senegal, & Togo.

ROSCAs

- ▶ Rotating Savings and Credit Associations have been traditionally informal, but they have played a significant role in community development in the Global South.
- ▶ Some are getting quite sophisticated and utilizing blockchain technologies and are supporting climate justice and regenerative economies efforts.
- ▶ In Canada, there is the ROSCA Network and pioneering work being done by Dr. Caroline Shenaz Hossein & Andrea Barrett.

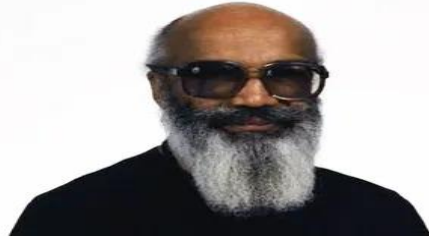
ROSCAs cont.

- ▶ **Formalize Community Trust:** Credit unions could partner with informal savings circles to create regulated “ROSCA accounts” that preserve cultural trust while ensuring transparency & security like what Agricola Credit Union (T&T) & JTA Co-op Credit Union (Jamaica) are doing.
- ▶ **Design Inclusive Financial Products:** Offer structured interest-bearing cycles with digital tracking & financial literacy to help the underbanked build credit history.
- ▶ **Empower Economic Mobility:** Use the ROSCA model to extend credit union membership, expand access to capital, & foster sustainable entrepreneurship in communities.

Cooperatives

- ▶ By placing collective prosperity, care for the environment, and community welfare above short-term profit, cooperatives demonstrate how business can serve people and the planet while creating a more inclusive and humane economy.
- ▶ The Antigonish Movement in Nova Scotia, led by Father Jimmy Tompkins, Father Moses Coady, and others, combined adult education, cooperatives, and microfinance to empower rural Maritime communities to improve their economic and social well-being.

Cooperatives continued



- ▶ In an interesting case of knowledge transfer, Father Albert McKnight, an African American priest based in Louisiana, travelled to Nova Scotia to learn about cooperatives from the Coady Institute.
- ▶ Two years later in 1962, his new Southern Consumers Cooperative had 2,000 Black farmer-members.
- ▶ Over a 25-year period, he played an instrumental role in organizing 75 co-ops, credit unions, & minority businesses across the US.

Cooperatives continued.



- ▶ In many parts of the Global South, cooperatives are utilizing historical resilience and making a difference in various industries.
- ▶ In 2019, the Moruga Hill Rice Multi-purpose Cooperative Society Limited in T&T was founded, and it draws inspiration from the Merikins.
- ▶ Founded to revive the cultivation of Moruga Hill Rice, it combines historical resilience with social innovation to promote sustainable agricultural practices.

Social Enterprises

- ▶ The primary goal of social enterprises are to achieve social, environmental, or community goals rather than simply maximizing profits.
- ▶ Credit Unions can play a significant role in supporting social enterprises. For example, Vancity's Social Enterprise Partnership Funding Programs is making a difference.
- ▶ Vancity recognizes that some social ventures need grant support as well as financing, to progress from concept to growth.

Charles Clinton Spaulding (1874-1952)

Father of African American Management

► “There must be social service in business.”

THE SATURDAY EVENING POST



Service to his people means more than profits to this remarkable businessman. His firm has paid policyholders in excess of \$20,000,000 since its founding in 1898.

THEY CALL HIM “CO-OPERATION”

By ARCHIBALD RUTLEDGE

ANYBODY in Durham, North Carolina, can point out to you the six-story fireproof office building which houses the \$60,000,000 North Carolina Mutual Life Insurance Company, the largest business enterprise in the world operated by and for Negroes. But forty-four Octobers ago, on the day the company was founded by John Merrick, a barber; Dr. A. M. Moore, a physician; and Charles C. Spaulding, a ten-dollar-a-month dishwasher in a small hotel, the only visible sign of the company in Durham or anywhere else was three high, stiff white collars.

The three Negro visionaries had no capital. They did have a naive tenacity, probably matchless in the history of American business, and a faith that comes a whisker's width from passing all understanding.

Spaulding, now sixty-eight and the president and guiding spirit of the company, recalls October 28, 1898, with a twinkle in his eye. "We didn't have a thing," he confesses. "We had no money, no knowledge. But we had sense enough to put up a big front of respectability. We hunted all over Durham until we found the highest white collars we could find."

In his office hangs a photograph of himself and the two other founders, wearing the collars and looking like Sunday-school superintendents of the old starched school.

Beside the white collars, they had a tangible asset in the person of old Washington Duke, or rather

Blind faith plus three white collars founded an insurance company; Mr. Spaulding's genius made it the world's largest Negro business.

insurance. I believe they must have had no that we were honest."

When the barbershop was closed for the night Doctor Moore had finished with his patients, Merrick would meet Spaulding to take a kind of tall inventory of the company's problems. So these they managed to solve themselves. Final solution of the graver ones they waited until the following morning, for then that famous old war hero business, Washington Duke himself, would come Merrick's barbershop to get shaved; and when Merrick literally had the finances "down and laid" would propound some of the questions that the directors of the insurance company had found difficult to handle.

Duke, a simple man, a friend of Man, blow his suits aside, would advise his Negro friend. The Duke was always followed, and was always found when Merrick and Spaulding were living today, he can very proud of having encouraged and having handed to these daring Negroes who have now achieved the most signal success in business to be found in the history of the Negro race. It is the personal achievement of Merrick, Moore and Spaulding, but in the background I see kindly old Washington Duke, at home with his Negro friends, advising them with wisdom and sagacity that built for his own family the great American fortune. I can see him to with Merrick, not petulantly, not condescending but man-fashion, earnestly, with a fine loyalty interest in humanity.

To appreciate how far the company has come these past forty-four years, (Continued on P. 12)



Staff of 112 works in one-big-happy-family atmosphere, eats at first-class cafeteria.



Only the biggest insurance companies maintain anything like this modern clinic.

THE SATURDAY EVENING POST

Cooperative Advantage

Doing Well & Doing Good

- ▶ **Spirit of care/community:** Reinvest in local well-being by supporting underserved members, advancing sustainability, and fostering empathy-driven decisions that strengthen trust and inclusion.
- ▶ **Dialogue:** Create open channels for members and leaders to share ideas, co-design solutions, and build innovation through continuous, transparent communication.
- ▶ **Consensus-Building:** Encourage shared governance and decision-making that balance profit with purpose—ensuring unity, transparency, and long-term cooperative advantage.

What if?

- ▶ Credit unions became the architects of regeneration—channeling capital to restore communities, not just grow profits.
- ▶ Every loan, investment, and policy uplifted all stakeholders—members, workers, and the environment alike.
- ▶ Financial success was measured by shared prosperity—where inclusion, dignity, and care define true wealth.

What if you served on corporate boards?

- ▶ **Experts in Community Well-being:** Credit union and cooperative leaders have firsthand experience balancing profit with purpose — ensuring decisions enhance both economic and social outcomes within their communities.
- ▶ **Champions of Sustainable Development:** Their models already integrate environmental and social sustainability, aligning corporate strategy with long-term resilience and stakeholder value.
- ▶ **Builders of Cooperative Advantage:** Rooted in empathy, dialogue, and consensus-building, many credit union/cooperative leaders embody the cooperative spirit that transforms capitalism into a more compassionate and inclusive system.

Lessons from Leon Sullivan



- ▶ **Rooted in Cooperative Economics:** Before joining GM’s board, Sullivan built community-owned ventures through the Zion Investment Associates (ZIA) and the Progress Movement, proving that shared prosperity and social progress go hand in hand.
- ▶ **Moral Courage and Global Impact:** As GM’s first Black board member, he spoke out against apartheid, urging corporations to act responsibly toward people and planet—decades before ESG became mainstream.
- ▶ **A Call to “Good Trouble”:** Today, we need credit union and cooperative leaders to follow Sullivan’s example—to challenge complacency, advocate for sustainability, and cause the kind of good trouble that redefines corporate success for the common good.

A Call to Action

A truly lovelier version of capitalism is one rooted in empathy, cooperation, and shared prosperity—the very principles that credit unions embody.

- ▶ **Redefine Success:** Look beyond profit as the only measure of value—build financial systems that strengthen communities and sustain the planet.
- ▶ **Design for Cooperation:** Foster empathy, dialogue, and shared ownership to empower members and create resilient, people-centered institutions.
- ▶ **Prioritize Human Dignity:** Ensure every financial decision—economic, social, or environmental—advances equity, trust, and the well-being of all.

The Future We Choose

- ▶ Credit Unions hold the blueprint for a more human-centered capitalism—where profit and purpose walk hand in hand, where communities thrive through cooperation, and where empathy becomes our most valuable form of capital.
- ▶ Let us lead the next quiet revolution—one that re-imagines finance as a force for regeneration, dignity, and facilitating a cooperative advantage.