

An open letter to Barack Obama



By **David J. Thompson**

On January 20th, the 44th President of the United States will be sworn in. President Barack Obama will take power in extraordinary times. The time is now to rebuild community-based economics and to re-energise co-ops . . .

Dear President Obama.

I am writing to you on behalf of the 25 food co-ops served by Twin Pines Cooperative Foundation.

Given that the economic circumstances reflect the worst conditions since the Depression, co-operatives can and should play a role in re-building the US economy. Here are two categories where co-operatives can make a difference: credit and home ownership.

Relative to the big US banks, credit unions have been an island of financial stability. Bigger banks “too big to fail” are not the antidote to the problem. A larger role for credit unions and community banks is the road to renewal of the US financial system. Look to boosting the “good guys” of the banking system, not bailing out the “bad guys.”

Large players in the banking world promoted “home ownership” to the detriment of everyone. Millions of families have had their financial lives destroyed. Craft “permanent affordability” to stabilise housing tenure for generations to come. Housing co-operatives meet need, not greed.

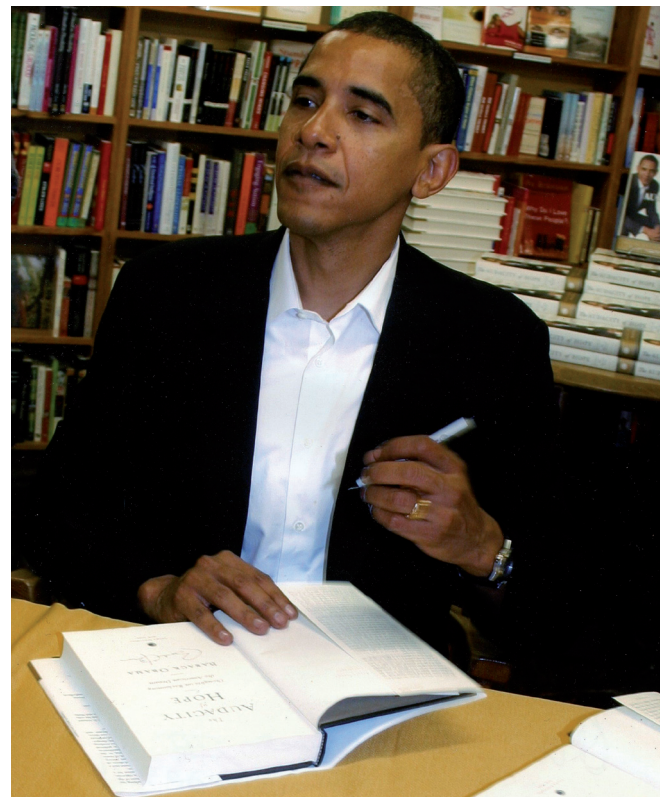
Please act upon the platform developed by the National Cooperative Business Association (NCBA). Here are excerpts from a letter you received from Paul Hazen, CEO of NCBA:

“The co-op sector is big and prepared to be a valuable player on the change team. An estimated 120 million co-op members support various types of co-ops holding more than \$1 trillion in assets, generating more than \$290 billion in revenues that employ a work force of 670,000.

Locally owned co-operatives can help reinvigorate local economies by creating more jobs and economic activity.

The areas where co-ops can make a difference include:

- Community ownership of alternative energy projects, such as solar, wind, and renewables, that multiply the economic benefits in local communities.
- Small businesses that join together to form purchasing co-operatives can save Main Street by aggregating purchasing power and decreasing costs to allow them to compete.
- Healthcare and employee benefits co-operatives can help rein in the skyrocketing costs of these services and help redirect the focus away from just making profit to making sense.
- Seniors in rural areas without the services needed to “age



↑ Barack Obama chose to do the first signing of his autobiography *Audacity of Hope* at the Seminary book co-operative near his home in Chicago

in place” can take control over their housing and home care needs by creating co-operatives that do not dictate to them.

- Credit unions provide financial services to their members, and they know who they are. They can help people regain trust in our financial institutions and fuel economic activity.
- Employee ownership may lift companies up from the brink and can help maintain profitable businesses in rural areas.
- Pharmacies and other retailers can join together to help promote more sane pricing practices.
- Farmers and small business entrepreneurs in poor rural areas throughout the world have experienced the benefits of co-operatives with the help of NCBA/CLUSA, which can help link US co-operatives to producers in developing countries.
- Owners of houses or mobile homes can get out from under the control of greedy landlords through joint ownership.”

As you see, the US Co-op sector stands ready to play a role in many ways. Co-ops create jobs, capital and opportunities at the local level. Co-ops don’t move out of state to avoid taxes and don’t ship jobs overseas. Co-ops keep earnings in the communities and credit unions loan only to local members. Co-ops have been on Main Street, USA, since 1752. Now is the time for co-operatives to help rebuild America.

David Thompson

President of Twin Pines Cooperative Foundation, California

Keep co-ops to the fore

THE National Cooperative Building Association, umbrella organisation for co-ops in the USA, is urging its supporters to petition the new Obama administration online to make the case for co-operative enterprise.

Co-operators are being asked to devise a question and post it at www.change.gov. Said an NCBA spokesman: “We’re not sure when, but President Obama and his team will respond to the questions that receive the most votes, so place your vote today.

“Together, we can reach the votes necessary to become the number one question and help ensure co-ops are part of the solution to the challenges facing our country today.”