Use of Co-op Index Tool to Strengthen Internalization of Cooperative Principles and Values Within Cuba's Farmer Cooperatives

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Columnist

Case Study #2: Co-Op Index and Cuba

Building a Better Toolbox to Build a Better World

(CAPSTONE PAPER)

Masters of Management Co-ops and Credit Unions
Sobey School of Business, Saint Mary's University.
April 2014

theholmteam.ca/HOLM.MMCCU.CAPSTONE.pdf

Premise of my Capstone:

Building a better toolbox is needed to deliver this vision:

Co-op Index:
a powerful tool to measure and strengthen internalization of co-op principles, values and participation…

The Co-op Index
was developed at
Saint Mary's University, Halifax

through the collaborative work of
Ryzard Stocki
Sonja Novkovic
Peter Hough

and many others…

Cuban Context: Holm
Co-Op Index: Hough
Implications: Novkovic

Cuban Context

Cuban Revolution and Socialism

Cuba's Special Period…

Cuba's new cooperative path

Canada-Cuba Collaboration

CUBAN REVOLUTION AND SOCIALISM…

IT'S ALL ABOUT JOSE

Jose Marti
(1853-1895)

Cuba's National hero

philosopher, poet, essayist, journalist, professor, publisher, revolutionary

REVOLUTION 1959:

- Socialism
- Land Reform
- Alliance with FSU resulted in large state farms
- Formation of agricultural cooperatives

  CPAs (worker) and CCSs (prod)
- Economy driven by sugar
- Educated population
- High standard of living

ASOCIACIÓN NACIONAL DE AGRICULTORES PEQUEÑOS
DIRECCIÓN NACIONAL

CUBA'S SPECIAL PERIOD…

Collapse of Former Soviet Union 1990

- Economy thrown into darkness
- Shortage of energy, food, materials
- US tightened economic noose
- How to produce food in countryside?
  - ✓ without chemicals and pesticides
  - ✓ without fuel and tractors
  - ✓ revert to traditional methods
- How to produce food in the cities?
  - ✓ Organoponicos

TODAY

Cutting edge practices…

- Bio-controls replace chemicals

Only nation to achieve sustainability based on ecological footprint and social development index (WWF)

World leader in organic agriculture (1999 Right Livelihood Award Sweden)

Strong relations with Canada (uninterrupted since 1946)

2008: Land Distribution (Decreto Ley 259 and 300)

Object: boost food security

2013:

1.3 million hectares of land distributed in usufruct
151,356 new farmers (97% of applicants)

average land allocated = 8.7 hectares.

33% are 18-35 years old

25% previously unemployed

13 % previously retired

REQUIREMENT: accepted by local cooperative

AGRICULTURE IN CUBA TODAY

- employs 1.5 million workers
- 28 percent of the national workforce
- contributes between 4 and 5 percent GDP

FARM CO-OPS IN CUBA TODAY

ALL TYPES (CPAs, CCSs, UBPCs)

5,474 farmer co-ops supply

> 90 % of raw materials used by agri-business

> 98 % in sugarcane, tobacco and honey

- represent < 80% of farm production
- provide
  - 77 percent of Cuba's crop prod'n
  - 79 percent of livestock prod'n

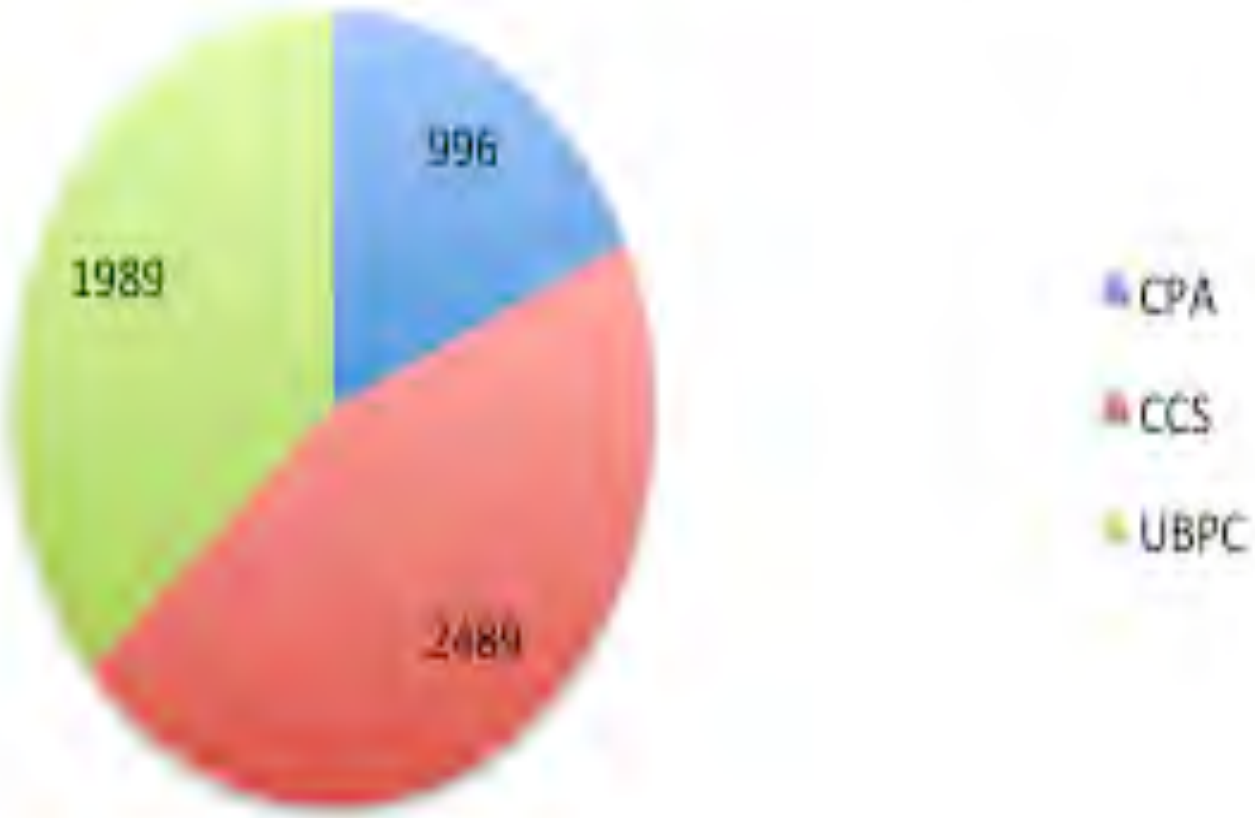
PRIVATE FARMER COOPS (CPAs. CCSs)

3,485 co-ops (ANAP) with 396,526 members

farm 2.9 mil hectares (39 % of Cuba's farmland)

60% of domestic food production

NUMBER OF CUBAN COOPS IN 2013



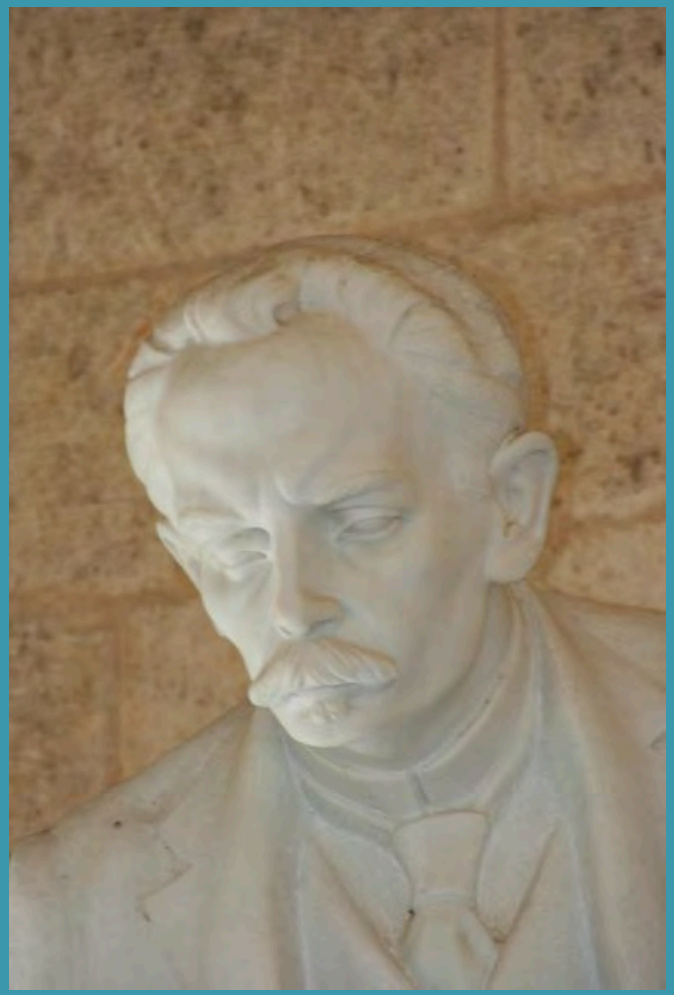
Structure of Production, Cuba's Farmer Cooperatives. 2013

	CPA		CCS		COMBINED ANAP (CPA + CCS)		UBPC		TOTAL	
Co-ops	996	1	2,489	1	3,485		1,989	2	5,474	4
Members	48,446	1	348,080	1	396,526		121,481	2	518,007	4
Hectares	587,878	1	2,306,526	1	2,894,404					
owned	*535,033*	1	*930,455*	1						
usufruct	*52,845*	1	*1,302,033*	1						
lease			*14,768*	1						
commons			*59,269*	1						
Percent Arable Land					39%	2				
Percent Food Production					60%	3				

Source:

1 ANAP 2013
2 Pablo Fernandez, 2011, pers com.
3 Alvarez, pers com. 2014
4 Derived

Los Lineamientos: Cuba's new co-operative path



While not a socialist construct, cooperatives are a natural economic choice for a socialist society because they embrace the values of social equity and justice from the bottom up…

The same values embraced by the Cuban Revolution and the writings of Jose Marti.

Under Raul Castro, the Cuban government has mandated strong openings for worker-owned coop engagement in the non-state sector.

Their importance and main direction is socialism, social ownership, limited privatization and cooperatives.

"Today, more than ever,
the economic battle is the main task and the focus of the ideological work of the cadres, because the sustainability and preservation of our social system depend on that."

RAÚL CASTRO RUZ
Ninth Congress, Cuban Young Communist League,
April 4, 2010

- **April 18, 2011: Lineamientos**

  6th Congress Communist Party

- **Transition to worker co-ops**

  worker control

- **Strengthen agricultural co-ops**

  create 2nd tier co-ops

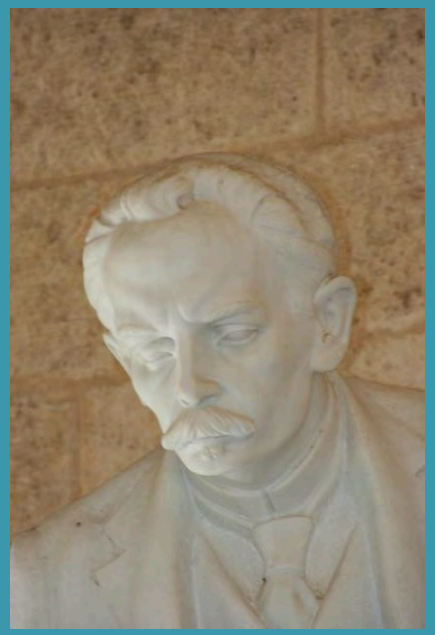
LOS LINEAMIENTOS:

Comprehensive Guidelines:

1. economic management policy
2. macroeconomic policy
3. external economic policy
4. investment policy
5. science, technology, innovation & environment policy
6. social policy
7. agro-industry policy
8. industry and energy policy
9. tourism policy
10. transportation policy
11. construction, housing & water resources policy
12. trade policy

Six of these policy statements have specifically to do with widening the opportunity for cooperatives as a form of non-state enterprise to help deliver the socialist objectives of human development, equity and social justice called for by Jose Marti and embedded in the tenets of the Cuban Revolution.

- ✓ Subordination of capital
- ✓ Labour rightful owner of income
- ✓ Fair income distribution
- ✓ Social security
- ✓ Provision of basic necessities
  food, shelter, health, education



BIRTH OF THE PROJECT

Havana Workshops Dec 2011
6th Principle & International Support

www.theholmteam.ca/HAVANA.WORKSHOPS.Dec.2011.pdf

Walking the Walk:
Cuba's path to a more co-operative and sustainable economy

Report on the outcomes
of an informal Havana dialogue
between co-op thought leaders from
Cuba, Canada, the United States and Scotland

December 12-16, 2011.

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- ✓ **The purpose of the 2011 HAVANA WORKSHOPS was to convene co-operative champions/thought leaders to understand what is happening here and share ideas and networks to support its success.**

- ✓ **Is there resonance?**

- ✓ **if so, how can the international cooperative movement support? (6th Principle)**

- ✓ **identify potential path for co-op engagement.**

WORKSHOP KICK STARTED THE PROJECT

CHRONOLOGY

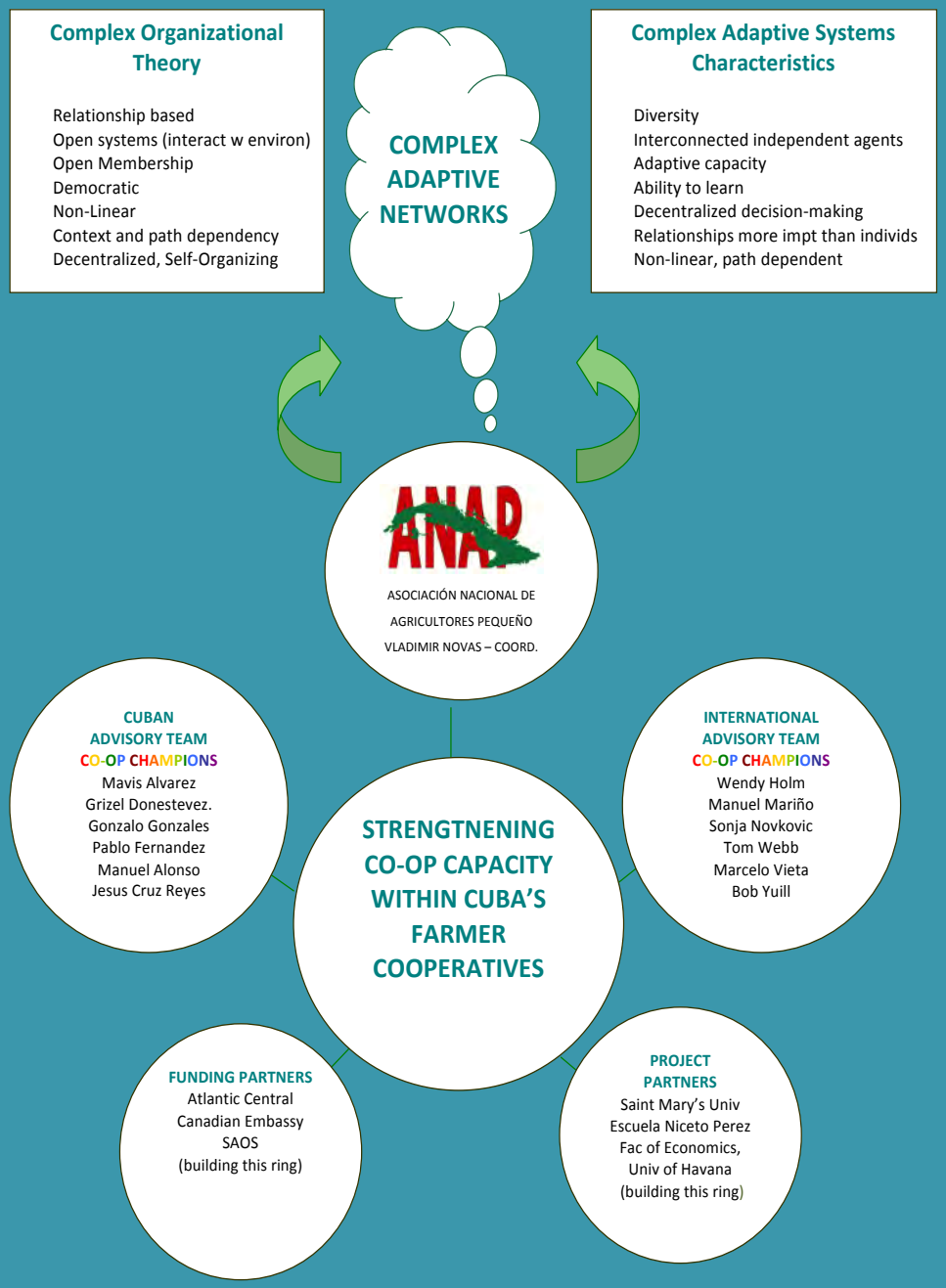
- ✓ Feb 2012: Novkovic, Webb and Holm attend Canada Cuba Workshop in Havana
- ✓ Oct 2012: Four Cubans invited by SMU to attend 2012 Quebec Summit of Coops/IMAGINE 2012
- ✓ Feb 2013: Cubans who attended Summit are debriefed; recommendation: 2 track approach
- ✓ Feb 2013: ANAP President asks Holm and Alvarez to prepare Draft Strategic Plan to strengthen private farmer coops
- ✓ June 2013: Plan accepted, 3 Yr Project fm ANAP

✓ **Summer 2013:**

Project architecture developed

✓ **February 2014:**

Coop Index Workshop Havana



Complex Adaptive Systems, Network Theory and Innovation

If groups of diverse, interconnected and independent agents with adaptive capacity and the ability to learn are given the opportunity to form non-linear, path-dependent networks characterized by decentralized decision making where relationships – not individuals – are of primary importance, then the complex adaptive networks so created fuel innovation and creativity

(Novkovic, Soots)

International Advisory Team

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Manuel Mariño
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Marcelo Vieta
Tom Webb
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Cuban Advisory Team

Mavis Alvarez
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Jesus Cruz
Grizel Donestevez
Pablo Fernandez
Gonzalo Gonzales

Coop Index Support:

Peter Hough

TASKS: Year One

- Develop Cuban worker Co-op Index (CPAs +UBPCs)
- Train ANAP's Escuela Niceto Perez in use
- Trial with one or two CPA's
- Develop Cuban producer Co-op Index
- Trial with one or two CCSs
- Evaluate

Year Two and Three: provide Cuba with assistance in co-operative curriculum development and support for co-operative training programs; visits to co-operative exemplars by the pilot farm co-ops.

everyone is responsible for everything…

Jose Maria Arizmendiarrieta

PRINCIPLE 6: International cooperative community needs to support Cuba's brave new coop path…

WE ALL HAVE A STAKE IN CUBA'S SUCCESS

www.wendyholm.com/
CO-OP.INDEX.CROATIA.pdf

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CUBAN COOP INDEX

Peter Hough

IMPLICATIONS
Sonja Novkovic