

DEVELOPMENT OF PEOPLE  
THROUGH COOPERATIVES

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In recent months so much national coverage by television and the press has been given to the riots and plight of the Negro in the ghettos of our Northern cities that the predicament of the Negro in the rural South has received too little attention. The Southern rural Negro, because of his economic plight, continues to migrate to and thereby intensify the problems of the Northern and Southern ghettos.

Thousands of rural Negroes in the deep South have become desperate men. Aside from racial discrimination and prejudice, automation is reaping havoc among unskilled farm workers who for generations have been tied to the land, either as sharecroppers, tenant farmers, day laborers or as small land owners. In Mississippi, Louisiana, and Alabama there are thousands of illiterate unskilled farmers who know that this is the last season that the boss man will be able to use their unskilled labor.

The civil rights movement of the past few years has painted the mirage of great progress being made in the South. While a minority have registered and a few others have placed their children in white school, and all can go to restaurants they cannot afford, the truth of the matter is, however, that these so called improvements have benefited the middle class Negro but for the rural Southern Negro they are only a list of laws on a piece of legal script. His economic situation has deteriorated from bad to worse.

There are literally thousands of rural Negroes in the South whose total income for the year is less than \$1000. There is no unemployment compensation or welfare available. Out of desperation and as their last hope, many, having heard about cooperatives, have attached a magical significance to the word. To these desperate people a co-op means economical salvation. A recent article in the Wall Street Journal commented on the wide variety of co-ops which are springing-up in the South, aimed at helping Negroes break their economic dependence on whites.

There is then in the South today an extremely great interest in developing cooperatives. It is a beautiful ideal addressing itself to the moral, social, and economic needs of men, and is considered by many as

an overnight panacea for all the economic ills of Southern Negroes. This attitude of course is naive, and very dangerous to the future growth of the cooperative movement in the South.

A beautiful ideal is not enough to assure the success of a business. It will take years before co-ops will be able to change the economic condition of the poor to any significant degree unless there is massive federal funds for capital accumulation. Moreover, it will take much more than co-ops to change the economic conditions of the poor, especially the rural poor in the South. I have become convinced that nothing short of a massive federal aid program - something like the Marshall Plan - will be needed if we are to prevent a continuing and deteriorating social and economic upheaval.

Nevertheless, I am also firmly convinced that co-ops have a vital role to play in the South, a role with a new and different thrust.

Cooperatives can be a powerful socio-economic instrument which can help in the development of undeveloped people. We talk about undeveloped nations. Well, today in our Southland we have millions of undeveloped people. People who have been by-passed completely by our highly technical and automated, affluent and sophisticated society. We have millions of people in our Southland today who would be more at home in many of the undeveloped countries of the world than in our own urbanized metropolitan centers.

These people are an undeveloped people because they have been systematically excluded from the affairs of the community. All their lives they have lived behind the high barriers of a caste system with a history of slavery and then segregation and discrimination. They bear the mark of oppression, the mark of this segregated system which is self-hatred. This self-hatred makes it psychologically impossible for many to take advantage of the change of laws which have recently broken the physical shackles of the caste system.

It is a common error to regard "liberty" purely from the political angle. "Liberty" from the psychological angle is a bit different. The ability to exercise those rights which go with "liberty" requires a certain working conception of oneself. A person has to have confidence and trust in himself. He must have the ability to participate in a common cause, i. e. the ability to identify his own interest with the interest of others in order to enjoy liberty.

Slavery and segregation, which was its aftermath, were not conducive to developing a positive or confident social ego. There were a host of factors which operated to destroy the social ego of the Negro. The primary factor has been the pathology of Negro family life: divorce,

separation and desertion, female family head, children in broken homes, and illegitimacy. This tragic havoc wrought upon Negro family life by slavery and segregation has been poignantly portrayed by E. Franklin Frazier in his The Negro Family, and more recently in the controversial report of Mr. Moynihan. There are additional factors contributing to the Negro poor social ego, the acceptance of the white man as an ideal, and above all the denial of education. These factors have contributed to the mass inertia of the Negro and led to the formation of a social ego whose chief ingredients are self-hatred and mutual contempt.

The Negro hates himself because he is constantly receiving an unpleasant image of himself from the behavior of others to him.

Because self-hatred is such a strong feeling, it generally requires some form of projection to attempt to stay its damaging effects. The simplest form it takes in the Negro is hatred of other Negroes and an attempt at some personal restitution by laying claim to one or another attribute of the whites. Much of what I have said about the Negro applies to a lesser degree to other minority groups who have developed sub-cultures different from the dominant one.

This then gives an insight, I hope, into why the social cohesion among Negroes is so poor. The emotions conducive to social cohesion and cooperative efforts are those that pertain to love, trust, and confidence. But many of the efforts of Negroes at social relatedness are canceled out by the inner mistrust in others, the conviction that no one can love him for his own sake, that he is unlovable.

In our work with SCC we have found that through participation in the affairs of the co-op people develop a sense of belonging, and that by identifying themselves with the co-op they gradually overcome this image of self-hatred. Through our limited experience, we have become convinced that cooperatives have a definite role in the elimination of poverty, for there are no better instruments or tools for curing some of the root causes of poverty in the South, namely self-hatred, massive apathy, and the lack of social cohesion.

I know that to many old cooperators this sounds like a strange role for cooperatives, which have been considered solely as economic institutions; but I am convinced that this new role - as an instrument in the development of an undeveloped people - is a necessary one for cooperatives in the War on Poverty, among low income people.

I would like to spend the rest of my time relating our experiences in Southern Consumers' Cooperative which helped us to evolve our philosophy of cooperation utilizing economic motivation and teamwork, or collective responsibility, as our two major tools. We at Southern Consumers' consider this approach as a new form of education.

A. ECONOMIC MOTIVATION:

Southern Consumers' Cooperative came into existence several years ago as a result of two frustrating years of failure in trying to teach adults how to read and write. With the help of Grail workers, a group of Catholic women, we conducted reading and writing classes in Kaplan, Louisiana, a small town of 5,000 for two years. Vermilion, the country in which Kaplan is located, has one of the highest adult illiteracy rates in the country.

After two years of effort, we had more teachers than students enrolled in the reading and writing classes. This experience called for a reappraisal of our programs and our attack.

We began to ask ourselves why were more people not interested in bettering themselves? What was the key to our failure to motivate these people? Certainly they were illiterate; they were poor, and many had to work long hours to prevent starvation, which we at Southern Consumers' Cooperative referred to as "poverty of the body". But what we failed to recognize in our early efforts was that these people possessed "poverty of the spirit." They had developed a culture of poverty. These people suffered from a lack of ambition. They had been crushed psychologically and brainwashed by the system now trying to help them. Not only were they helpless, apathetic and listless, but their ambition had been stifled. Their spirit had been killed and their whole personality suffused with despair, emptiness and hostility. The majority of these people saw no advantage in learning to read or write, for they had gotten along this far in life without knowing. Why make any effort now? "Besides," they would say, "what good would it do?" Certainly it would not increase their chances of securing a better job nor would it put more food on the family table.

A very important insight gained from our two years experience in a small town in Southwest Louisiana is that poverty forms a culture, a way of life. The hard core poor are not just middle class people without money. They are different: they think differently, they feel differently, they have a different sense of values. The poor tend to be fatalistic and pessimistic. For them there is no future. Everything is today. Therefore, they do not postpone satisfactions. When pleasure is available they tend to take it immediately. They do not save, because for them there is no tomorrow.

The smug theorist of the middle class would probably deplore this as showing a lack of traditional American virtues. Actually it is the logical and natural reaction of a people living without hope, without a future.

If a group is to help the less privileged, it must first find ways to pierce through the motivational vacuum that characterizes the poor. We must somehow ignite in these apathetic and hostile people a spark of hope that it is possible to have a better tomorrow.

Our earlier experience with the poor enabled us to set up some order of priority in the human aspirations of people. We found that the economic, while not the highest in terms of dignity, is basic to all the other human aspirations, physical, social, cultural, and even spiritual. For economics or purchasing power directly influences the realization of the other human aspiration, especially spiritual. Thus, to motivate the poor economically is one of the central objectives of the Southern Consumers' Cooperative program, and this must be the objective of any co-op working with the hard core poor. All of us know how important motivation is when trying to get youngsters to learn; well, it is many more times as important in teaching poverty-stricken adults. Unlike the youngsters, the poverty-stricken adults have had very little to live for and live with.

We have found that an effective program to motivate the poor must be based on economic involvement of the poor on projects considered by them as pressing and important,

As a priest, I see no conflict between economic rather than spiritual priority in the Southern Consumers' Cooperative program to help the poor. Naturally, I am concerned with the spiritual needs of people; but I cannot be indifferent to the economic fulfillment of people's aspirations. Just as it is difficult to listen to the good news of the gospel on an empty stomach, so it is difficult for twelve persons living in a two bedroom house to practice Christian modesty.

Southern Consumers' Cooperative believes that you can assist the poor by teaching them to help themselves. But the specific project must be the one the poor themselves decide is pressing and urgent.

Through the democratic principle of one member, one vote, a co-op instills into people a sense of ownership and control. The over 2,000 families holding membership in Southern Consumers' Cooperative feel and know that they own and have equal voice in running their organization. Many of these members are given their first experience in democratic procedures. Not only do they learn parliamentary procedure, but they learn early that cooperation is the only way for the poor to acquire economic prestige in their community.

Members pay a \$5 entrance fee and sign a subscription contract to invest at least \$300. While our material accomplishments have been modest, our achievements of the spirit have been tremendous.

So far we have two businesses. People's Enterprise - a subsidiary loan company which makes signature loans up to \$500 to members at low interest rates -- and a bakery specializing in fruit cakes, pralines, spiced pecans, brownies, and donuts; this year we started purchasing fertilizer for farmers and helped in the organization of a marketing co-op. These enterprises have helped people to develop confidence and trust in themselves and have motivated people who were nobody in their community in becoming somebody who can effect change in the community.

While poverty has no color lines, it has struck with greater severity among Negro families. The Negro is expected to adapt to the same culture, to accept the same social and economic goals as the majority, but at the same time he is deprived of the very opportunities necessary to achieve these goals. This experience of being a Negro living in the USA under such frustrating and schizophrenic circumstances, isolated and deprived of economic and social privileges, has developed the American Negro into angry men, and has developed angry men into a potentially explosive and hostile block, as witnessed by this past summer of riots throughout the country.

At the core of this hostility is an incredibly high reservoir of mistrust in programs designed to aid the poor. As Michael Harrington stated in his book, The Other America, "the most distinguishing mark of the other America is its common sense of hopelessness. For even when there are programs designed to help the other Americans, the poor are held back by their own pessimism." No matter how big a badge of concern the program might have there is that barrier of mistrust. Most white people and some Negroes find it almost impossible to cross the color line to help the Negroes who have been alienated for so long.

We at Southern Consumers' Cooperative have been building bridges between the poor and the poverty programs designed to help them. We have underway an effective dialogue with the poor designed to motivate them in finding solutions to their own problems through group participation. While the ultimate objective of Southern Consumers' Cooperative is to seek an abundant life through economic motivation, we believe that this economic motivation must be supported with collective responsibility.

At Southern Consumer's Cooperative we believe that there is a close relationship between motivation, team effort, and economic advancement. People who control the financial processes of region control the power structure (economic, social, and political) of that region. When the poor acquire economic motivations, they also acquire a greater team spirit and responsibility in all areas of community life.

Lasting progress in a democratic society comes through team effort. However, if economic progress is to be of the people, for the people and by the people there must be a change in the quality and status of the neglected Americans. We at Southern Consumers' Cooperative believe that this change can come about if the poor are involved in effecting the changes. This is why Southern Consumers' Cooperative places emphasis on collective responsibility in carrying out the "new education" program designed to help the poor.

Too often the failure of this country's social welfare efforts stem from our preoccupation with doing for people instead of doing with them. This error not only destroys human dignity, but also arouses mistrust among the same people who are supposed to be helped by the program. Southern Consumers' Cooperative's "new education" - incorporating the team approach - has overcome this limitation of conventional welfare efforts. Our programs are geared to helping the poor by giving them the means by which they can help themselves. We give these people the technical skills and know how, and the encouragement so necessary for the poor to attain human dignity and strength.

A co-op gives many members their first taste of group activity. Members learn team work and cooperation through the give and take of running their organization. These members learn the art of communicating and articulating their ideas and needs, an art so important in developing responsible leadership. They get a taste of group achievement, which instills trust and confidence and whets their appetite for further involvement.

Group participation and achievement demonstrate to the poor that something can be done to improve their economic plight.

There is a need for social reform in this country if we are to win the poverty war. Cooperatives can play an effective role in achieving this social reform. Social reform involves changes in our social and economic institutions in terms of how we think and act. The way of thinking and acting of both the Negro and the white must be changed.

The Negro way of thinking about Negroes must change. As Silberman says in Crisis in Black and White, "the Negro will be unable to take his place in the main stream of American life until he stops despising himself and his fellows. The Negro will be unable to compete on equal terms until he has been able to purge from his mind all sense of white superiority and black inferiority - until he really believes, with all his being, that he is a free man, and acts accordingly. For freedom and equality, like power, cannot be given or handed down as a gift. They must be taken by people unwilling to settle for anything else."

Obviously, Negro self-esteem cannot be retrieved, nor Negro self-hatred be destroyed as long as the status quo is maintained. They can never be eradicated without removing the forces that create and perpetuate them. What is needed by the Negro is not conventional education but re-intergration. There is only one way that the products of oppression can be dissolved and that is to stop the oppression.

On the other hand the white man's way of thinking and acting about the Negro must change. He thinks that all Negroes are lazy, contented with their lot and incapable of doing anything of their own. Negroes should be the last one hired and the first one fired. The white man also needs education, but again not the conventional education but the kind that brings him into contact with Negroes as his equal,

We of Southern Consumers' Cooperative believe that our program of having white and black, well to do and poor work together in business enterprises as a team can help accelerate and ease the pain of social reform, and can help Negroes and whites to change their way of thinking and acting with regard to the Negro.

This is a new concept of education which uses the two principles or tools of economic motivation and team effort to bring about social and economic reforms. This new education is not confined to curriculum or textbooks as is the conventional concept. It is an education design to inspire the less fortunate to claim their rightful place in this affluent society. The new education is designed to enlist the participation of the poor in making their community a decent place in which to live, through collective effort, equipping them with a sense of belonging and a sense of purpose which come with ownership and participation.

Through this educational process those who belong to the affluent society and who cooperatively participate, paradoxically receive much more than they give; and those who belong to the "other America" and who are helped, paradoxically give much more than they receive. This is an educational process which makes everyone a pupil of all, black and white, middle class and low income, he who leads and he who follows.