



The Original 7 Cooperative Principles plus an added 8th Cooperative Principle

1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

3. Member Economic Participation

Members contribute equally to, and democratically control, the capital of the cooperative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the members and maintains the cooperative's autonomy.

5. Education, Training and Information

Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

6. Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

8. Diversity Equity and Inclusion

Cooperatives believe we are stronger when a proactive effort is put forth to engage everyone in governance, management and representation. The idea of creating a new Cooperative Principle evolved through conversations with professionals in Diversity, Equity and Inclusion.

Brief History: Most scholars recognize the business of the Rochdale pioneers of England as the first coop. In 1844, this group of 28 men (weavers and skilled workers in other trades) formed a cooperative society. They created business principles to guide their work and established a shop in which to sell their goods. Increased pressure from the changing market system was a driving force in their decision to move toward cooperation and the 7 cooperative principles.

The global rise of cooperatives is partially due to the work of the International Co-operative Alliance (ICA). The ICA was formed in 1895 by E. V. Neale of Rochdale and Edward Owen Greening, a supporter of worker cooperation, in order to “end the present deplorable warfare between capital and labour and to organize industrial peace, based on co-partnership of the worker ... [and to] promote the formation of central institutions for helping people to establish and maintain self-governing workshops,” writes Johnston Birchall in *The International Co-operative Movement*.

The 8th principle was adopted by the Credit Union Movement in 2019. The Cooperative Council of NC adopted the 8th Cooperative Principle in 2020 and the movement as a whole is in the works.