

Testimony of
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Thank you to the members of the working group for hosting this panel and providing us the opportunity to share a few insights.

About Me

I come to you today as someone dedicated to Black self-determination, economic democracy, and a healthier planet. I help build cooperative enterprises in Black communities and have been doing so for almost 20 years. My work is grounded in my experience growing up in New York City’s South Bronx, a child of immigrants from the Dominican Republic. As a child I was always present to the racial and wealth disparities between my community (which was, and remains, the City’s poorest) and the City’s richest and whitest just a few miles away, 10 minutes by train, but what felt like a whole other world away. I came to cooperatives later, after repeatedly challenging proposals for more waste and polluting energy companies. What I wanted instead was economic development that did not compromise our health, that empowered workers, and that could retain wealth in the community instead of siphoning it out. So I shifted and launched what is now the oldest Black-led worker cooperative development organization in the United States, and pioneered new approaches to cooperative development that have helped result in New York City now having the largest concentration of worker cooperatives in the US, over 150. And I have been directly involved in supporting the launch of over 40 of them. The overwhelming majority, more than 95%, are Black and Indigenous.

The Need

Black communities around the world consistently experience some of the lowest levels of economic, social, and health indicators: from high rates of poverty, incarceration, and mortality to being at greater risk from pollution and climate disasters. These disparities exist both within and between nations, with African nations making up 92% of the poorest 25 countries in the world and majority white nations making up 2/3 of the world’s 25 richest^{1,2}. This disparity of course has its origins in the centuries old trade of enslaved Africans and the subsequent colonization efforts that built up the wealth of Europe and its white settler colonies throughout the Americas. Following emancipation from slavery and colonial rule, subsequent policies have maintained the racial wealth

¹ Samuel Stebbins, “[These are the 25 Poorest Countries in the World](#)”, USA Today. July 7, 2019

² Grant Suneson, “[These are the 25 Richest Countries in the World](#)”, USA Today. July 7, 2019

gap both locally and globally (such as the theft of Black land, racial segregation, ransom payments to former colonial powers, mass incarceration, redlining, and international debt).

While these policies enforced a white supremacist ideology, they were not the sole driving force for racial disparities. Today's hyperaccumulation of wealth and widening racial wealth gap are also made possible by the very ownership structure of a capitalist enterprise. It is so common that we don't question it. Like the air we breathe, we rarely think about it. It is a structure that encourages business decisions that maximize profits for investors, people who contribute no labor and do not feel the impacts of their decisions but who expect ownership and control based on their contribution of capital. It is an ownership structure that excels at concentrating wealth in the hands of a few who did not create it.

Wealth generated by a business flows to its owners. Since those owners are typically not its workers, consumers, or surrounding community, that wealth flows out from the community. Reinvesting that wealth in the community it came from is not in the interest of a distant owner, neither for that matter are environmental, consumer, or worker protections. Broadening ownership through cooperatives, where members collectively own an enterprise, becomes a way to change that.

Cooperatives as a tool

A Cooperative (aka co-op) is an enterprise that is jointly owned and democratically controlled by its members in order to meet their common needs. Cooperatives allow people to overcome the risks of working alone by pooling resources and working together to meet their needs. The International Cooperative Alliance (ICA) estimates that more than 12% of the world's population belongs to the 3 million cooperatives in the world, with 10% of the global labor force said to be working in cooperatives. This shows that the cooperative model is capable of providing economic security for the members of co-ops.

Cooperatives also have an added benefit in that businesses that are owned by their workers or consumers have built-in forms of accountability that make them more responsive to the needs of their communities, and less likely to cause harm to their neighbors or the environment.

Black experience with cooperatives

While the birth of the modern cooperative movement is often attributed to English consumers of the mid 1800s, economic cooperation has been practiced for millennia throughout the world. Traditional systems of cooperation, mutuality, reciprocity and solidarity have long existed in all African societies and have remained present with us in every corner of the African diaspora. We know them as the rotating savings and credit associations that go by names like Partner, Tanda, Sociedad, SuSu, Tontines. We know them as mutual aid burial societies or work sharing arrangements for labor intensive projects like house construction or artisanal mining or crop harvesting. This is how Black people have long organized ourselves, pooling our resources to meet our needs while building community in the process. And we see them as well in other forms of cooperatives such as Black farming cooperatives, worker cooperatives, buying clubs, and credit unions among others.

I will highlight one cooperative for you here:

The Cross-Atlantic Chocolate Collective

In the past few decades we've seen a rise in the number of cocoa cooperatives in the Global South - groups of farmers banding together to collectively share skills, resources and to increase their bargaining power. Increasingly some of these cooperatives are beginning to process their beans and produce chocolate.

Divine Chocolate, partially owned by the Kuapa Kokoo cocoa cooperative in Ghana is one of the most famous of these - with the farmers owning the biggest stake in the chocolate company. Yet at the same time there has been little in the way of Global North chocolate cooperatives.

One recent initiative, the Cross Atlantic Chocolate Collective, is taking the notion of the cocoa farmer cooperative to the next level. A multistakeholder cooperative, the Cross Atlantic Chocolate Collective is made up of cocoa farming groups and chocolate makers, all people of African descent, who aim to increase the representation of Africa and her diaspora in the global chocolate world. They hail from Dominica, Uganda, Cameroon, Ghana, Nigeria, Jamaica, Malawi, Zambia, Trinidad & Tobago, St. Lucia, Grenada, and the US. Over 70% of cocoa is grown by Africans on the continent or by people of the African diaspora but less than 6% of chocolate is made in these geographic populations. There is nothing swiss about Swiss chocolate. Cross Atlantic is utilizing and growing the cooperative structure to drive the needed change in leverage and economy required to improve the lives of cocoa farmers - an improvement that seems to have not been successfully achieved despite traditional farmers' cooperatives, Fair Trade certifications, direct trade and many other structural innovations. Let's keep a close eye on them as they move forward. You can find their work at www.chocolaterebellion.com.

Although cooperatives have long been a part of African systems for organizing resources, For African descendants engaged in cooperatives and cooperative development we often find ourselves isolated and invisible. We regularly face **skepticism from investors, funders, government agencies, and white co-op developers who generally doubt the ability of working class people of color** to lead their own cooperatives without white saviors. This makes it difficult for Black cooperatives and Black-led civil society organizations that assist in the development of cooperatives to build capacity and grow their operations. I have had foundations question whether low-income Black and Indigenous people had the capacity to run a successful business or whether they could launch anything beyond a housecleaning or dog walking cooperative. They want to help communities of color but do not trust the people themselves to be in the driver's seat. Throughout the African diaspora, we see the same resulting dynamic **Black-owned cooperatives, like other types of Black-owned businesses, and Black civil society organizations, are typically undercapitalized and operate under capacity.**

Coordination and collaboration among Black cooperatives

I recently conducted over 30 in-depth interviews with Black cooperative members and Black co-op developers in the US and Canada. All of them reported feeling isolated and felt a need for capacity development, training materials from a Black perspective, and a desire to be in community with, learn from, and trade with, other Black cooperatives and co-op developers.

Collective Diaspora is an effort to meet these needs on a consistent basis and in large numbers.

Collective Diaspora is a new secondary cooperative of Black cooperatives and Black-led cooperative support organizations. Our mission is to build a regenerative economy grounded in racial and gender equity through the development and growth of Black cooperatives across the African diaspora. We are weaving together a Black cooperative support ecosystem to challenge the economic isolation faced by Black communities and the extraction of Black wealth that has been taking place in different forms since the Transatlantic Slave Trade. By deepening our connections with each other we aim to make our cooperatives and organizations, and in turn our communities, stronger and more resilient. We develop resources within our own Black networks while putting into practice the 6th principle of cooperatives, Cooperation Among Cooperatives. We are grounded in the cooperative traditions of collective ownership and collective uplift that have survived in Black communities throughout the African diaspora amidst the

dominant economic model of extraction and exploitation. Our goals include: mapping the Black cooperative ecosystem, deepening relationships within the Black cooperative ecosystem, and developing programming and pedagogy that supports continued learning about Black cooperatives. Our approach centers on sharing information and resources between members, as well as the provision of shared training, technical assistance services, marketing materials, and support in raising capital and accessing markets. A strong ecosystem of support makes Black cooperatives more resilient and better able to generate wealth for their members and community.

Building a co-op of co-ops allows each member to benefit from the lessons of others, to pool resources, and get more done together.

Recommendations

- Invest in cooperative development in African descendent communities.
- Prioritize economic development initiatives that center marginalized peoples in their leadership structure and project design.
- Build ecosystems of support for Black cooperatives such as facilitating information and resource exchanges that make Black cooperatives more resilient and better able to generate wealth for their members and community.