THE COOPERATIVE MODEL ADVANCES INDIGENOUS DEVELOPMENT: A CASE STUDY OF THE NEECHI CO-OPERATIVES LIMITED

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1. ABSTRACT

Cooperative development is an effective channel for development and empowerment within the Indigenous communities. It is a model that espouses self-governance, self-determination, self-help, self-development and ownership with an aim towards sustainable community development. A Cooperative is a complementary approach to community development because it is community-inclusive with a goal to mobilize local resources in a bid to attain sustainable development (Fairbairn et al.1991; Wilkinson and Quarter 1996).

This paper examines the co-operative strategy of community empowerment through the case study of Indigenous community development through a social enterprise in the form of a food co-operative in Winnipeg, Manitoba. Neechi Foods Co-op Ltd., popularly known as Neechi Commons, an award winning Indigenous food cooperative located at Winnipeg’s North End. Neechi Foods will be the focus of this article and through the use of secondary data this article will analyze the impacts of the cooperative business model in advancing Indigenous development.

2. PROBLEM/ THESIS STATEMENT

The substantial research on Indigenous populations has provided a solid background, but the connection between Indigenous community and social enterprise from the social economy standpoint is under-researched (Wuttunee, 2009). The purpose of this article is to contribute to this gap in social enterprise research by analysing the social enterprise strategy within the cooperative model of the Indigenous Foods Co-op known as Neechi Commons.
The International Co-operative Association (1995) defined co-operative “as an autonomous association of persons united voluntarily to meet their common economic, social, as well as cultural needs and aspirations through a jointly owned and democratically controlled enterprise”. The dual role of cooperatives in Indigenous communities as a tool for economic revitalization and social empowerment cannot be over emphasized. The “quadruple bottom line” approach is prominent within the Indigenous cooperative models demonstrating their financial, social, environmental and cultural goals towards a sustainable livelihood (Sengupta, 2015). In fact, Indigenous communities exemplify cooperative models since time before the mainstream cooperatives were presented by the Rochdale Equitable Pioneers in 1844.

However, even with Indigenous people’s historical relationship with co-operation they cannot isolate themselves from the broader societal context. Co-operative development needs to take up both the Indigenous and western knowledge in order to be effective in changing community development paradigms. The importance of Indigenous enterprise is poorly represented in the educational world much like the social economy is disproportionately presented in the formal educational curriculum when considering the size of the social economy (McMurtry, 2009). It is this lack of representation for both the social economy and Indigenous social enterprises that this paper illustrates as a case study on Neechi Commons as a representative case of both a social enterprise and an Indigenous co-operative. The Neechi Common’s case study will add to the broader landscape of social enterprise and Indigenous co-operative literature. There is a distinct need for the literature that outlines an inclusive paradigm for both Indigenous and Western knowledge of social enterprises in Canada. As Battiste and Henderson (2000,
p.86) highlight the lack of Indigenous knowledge in education asserting that Indigenous knowledge would be beneficial to the Western world considering its importance in the survival of life and nature prior to the advent of the Western knowledge. This paper will therefore offer Neechi Commons as a case study of an Indigenous food cooperative and a prominent Indigenous social enterprise.

3. **THE NEECHI FOOD COOPERATIVE LTD**

Neechi Foods Cooperative Limited is a multi-stakeholder owned business, which transitioned from a worker-owned cooperative to allow workers, producers and consumers to come together (Winnipeg Freepress, 2015). Neechi took its name from a common word in Ojibway and Cree language ‘Neechi’ meaning Friend/Sister/Brother. It has been in operation for approximately 25 years and has progressed into operating two locations within the city promoting community economic development, cultural resilience, social empowerment and environmental sustainability. One location operates as a grocer/catering service providing an outlet and the newest location known as Neechi Commons is a business complex on a 50,000 square foot lot houses a neighbourhood supermarket, a restaurant, produce courtyard, bakery and Aboriginal arts store (Neechi Commons, 2015). They offer healthy affordable foods to the community as well as citywide delivery across Winnipeg. The cooperative’s membership structure is strongly community based where Aboriginal families within the north end, point Douglas and Lord Selkirk Park communities are given first preference in the hiring process, that way profits are reinvestment back into the community and Neechi Commons enacts one of its social enterprise mandates to act as a community development enterprise for Aboriginal people residing in Winnipeg.
4. INDIGENOUS FOOD SECURITY & SOVEREIGNTY

Neechi foods cooperative model demonstrates the intersections between the cooperative business model and Indigenous knowledge. Indigenous knowledge places land and food at the centre of what it means to be Indigenous (food secure Canada, 2012). Despite this, very little literature has focused on what Indigenous food security and sovereignty looks like within cities, specifically, using the cooperative business model. Neechi Commons represents a unique entity acting as a co-operative business, social enterprise and Indigenous community centre. As food represents a central tenet of Indigenous culture and inner city Winnipeg has been developing into a food desert it is understandable why Neechi Commons developed as a food co-operative and social enterprise.

On the one hand, food security according to the World Health Organization (1996) is defined as existing ‘when all peoples at all times have access to sufficient, safe, nutritious food to maintain a healthy and active lifestyle.’ Food sovereignty on the other hand speaks to the ability of people to control their own food system. The food deserts developing in Winnipeg’s downtown core represent an inability of inner city residents to maintain their food sovereignty (CBC, 2015).

The focus of food sovereignty was initial on food insecurity in rural areas (Watson, 2013). What the literature demonstrates is that urban centers also experience their fair share of food insecurity. In this context, Sinclaire (1997) indicates that urban Indigenous population (especially those in the inner cities) experience food insecurity in forms of lack of access to traditional foods as well as barriers due to pricing given that supermarkets are largely driven by market demands. The literature lends credence to the
assertion that Indigenous peoples with their long history of marginalization, poverty and disproportionate access to resources find themselves food insecure.

A Vancouver-based study looking at aboriginal healthy eating and food security presented results that revealed urban Indigenous food insecurity is significantly impacted by the loss of food related skills, increased the cost of living, transportation costs, and low availability of traditional foods (Provincial Health Services Authority, 2011). Due to their limited access to resources to acquire basic necessities such as shelter, warmth, and food, the urban Indigenous population find themselves forced to compromise their traditional food consumption taking up cheap unhealthy processed foods from convenience stores (CBC, 2015). This forced food choice invariably impacts the four pillars of food security: access, availability, supply, and utilization. In a study conducted by Che and Chen (2001), results revealed that the prevalence of food insecurity was higher among Aboriginal people living off-reserve with 27% reporting, at least, some form of food insecurity and 24% experiencing a compromised diet.

Cidro (2015) argues that, in recent years, food sovereignty is not only being used as an intervention to the challenge of food insecurity but also, as a larger attempt to regain control over food systems and health. Culture cannot be divorced from the discourse around Indigenous food security and sovereignty as food represents more than simple sustenance in the Indigenous culture. Cultural food insecurity is an additional layer of Indigenous food security felt by Indigenous inner city residents (Power, 2008). Morrison (2011) identifies four components of Indigenous food sovereignty that show the unique nature of food within the Indigenous culture:

1. The recognition that food is sacred
2. Participation in food systems
3. Self-determination
4. Supportive legislation and policy

Given Canada’s history of colonization and Indigenous peoples determination to reclaim their cultural identity, the cooperative model serves as an ideal framework for advancing an aboriginal journey to Indigenous food security and sovereignty. It is a question, however, of which co-operative model should be used in an Aboriginal firm; Western, Aboriginal or a intermix of the two.

Culturally appropriate locally determined food systems could enhance community independence (Socha et al, 2012). The cooperative business model allows for the expression of Indigenous self-determination through the democratic principles embedded in the business model. Cooperatives could be used as channels to express Aboriginal freedoms, celebrate Aboriginal culture and strengthening collective identity and integrity. In the case of Neechi Commons, the urban Indigenous community (food producers, cooking staff and consumers) are the owners and participants of their food system through the multi-stakeholder co-operative, affirming Watson's (2013) assertion that true food security can only be attained through the addition of a localized control. Neechi Commons’ food service delivery goes beyond just making available culturally important, healthy and affordable foods to the community. As a multi-stakeholder co-operative the business model includes the empowerment of aboriginal people through the democratic principles allow the community to take control of their lives through job creation and healthy lifestyle education.
The cooperative business model also makes provision for Indigenous respect for land and the environment through the Concern for the Community principle. Neechi Commons takes the Concern for the Community principle one step further by maintaining a Community Economic Development (CED) principle. Neechi Common’s CED principle ensures the procurement of local foods to help in building the local economy. Neechi Commons supports multiple urban and rural farmers through its seasonal farmers market, sourcing food products between Manitoba and Northwestern Ontario (Neechi Commons, 2015). This not only promotes food sovereignty, but environmental sustainability as well by reducing the carbon footprint from store purchases. Neechi Commons’ main focus, however, is in establishing a closer relationship between production and consumption to build a stronger more resilient Indigenous inner city community.

According to Cidro (2015), food is a conduit to culture and concomitantly to Indigenous identity. The provision of culturally important foods, especially in urban cities, helps to reduce food insecurity and is instrumental in the cultural reclamation of Indigenous peoples identity given their long history of colonial repression. Morrison (2011) adds that the availability and access to cultural foods is a means of reconnecting people to their traditional food systems. Neechi Commons is known for its oven-fresh bannock, wild blueberries, wild rice and Manitoba fish. These culturally specific foods help build community and community relationships and places Neechi Commons in the role of a social enterprise.

Neechi Commons’ network of local producers provides a means of obtaining culturally appropriate foods. Without culturally appropriate foods, food security is not
possible. Food security is a prerequisite for broader health (WHO, 1986). Food security plays a role in malnutrition, poor learning outcomes, developmental delays and other health conditions that affect a community (Barton, Anderson & Thommasen, 2005). While poor lifestyle choices have blamed on poor nutrition it is just as easy to blame food access or food security. It is also important to note that food insecurity is directly related to low income and thus food access (Power, 2005), hence, people can only afford what is within their financial abilities. Neechi Commons makes an effort to support Winnipeg’s Indigenous population through its local outreach programs, promoting healthy eating habits and lifestyle choice (Neechi Commons, 2015). They provide a subsidized fruit basket for neighborhood children to improve children’s nutritional status (Neechi Commons, 2012). Neechi Commons encourages cultural diversity through its specialty foods, which are ethnically diverse and local sourced (Neechi Commons, 2015).

4. RELATIONSHIP, EMPOWERMENT AND MARKET EXTERNALITIES

Neechi Commons is utilizing the co-operative business model, which helps with ‘connectedness’ between their members and the broader society (Simmons, Birchall, 2008). The co-operative model helps Neechi Commons to minimize negative market externalities within their community such as diabetes from poor food availability. These health externalities are the reason why Neechi Commons was created. Neechi Commons utilizes the co-operative mode to empowering their community taking into consideration the Indigenous co-operative quadruple bottom line, which includes integrating financial, social, environmental and cultural values (Sengupta, 2015).

The north end has a large Indigenous community, which Neechi Commons serves. The north end community experiences high unemployment is placed in a food
desert and is underdeveloped (Dobchuk-Land, Toews, and Silver, 2010). According to Neechi Commons president “The problem is underdevelopment. The money is not being circulated here and that underdevelopment is being created with the expansion of the suburbs and the big markets out there” (Story, 2015). This underdevelopment represents a gap in the market and is related to the needs of Indigenous community. The founding members of the Neechi Commons saw an economic market opportunity after large retail stores left the region (RDI working report, 2015). Within cities where the types of products available for consumption are not culturally specific to Indigenous communities the lack of store choice is a cultural issue. The lack of development of the food market to include culturally specific foods, pushes Aboriginal community members further away from the community in which they reside.

The negative market externality specific to aboriginal groups within cities is the indirect third party suffering from the “proliferation of strictly economic organizations that divorced themselves from social, environmental or cultural goals.”( Sengupta, 2015, page 129). The current trends on the grocery sector to move to a big box format to provide universally acceptable products can be seen as a cultural negative externality within the food system (Hicks, Keil and Spector, 2012). Neechi Commons is an excellent example of an Indigenous entrepreneurial responses to this separation of organizational functions including a more holistic reintegration and innovative combinations of social, environmental and cultural goals with economic goals, which can be exemplary for other social economy organizations (Beavon, Voyageur and Newhouse, 2005).

Sengupta (2015) suggests that the co-operative model is optimal for Indigenous communities as outlined by his research of Indigenous co-operatives in Canada. To
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further demonstrate how the Indigenous-led co-operative model lessens the economic and social struggles imposed upon Indigenous communities, the model seeks to "ensure that cooperative solutions to complex problems are deeply aware of and examined through the lenses of oppression, including class, race, and gender, in order to ensure that a cooperative solution to a problem for one group of people does not adversely impact another group of people" (Sengupta, 2015, 147). For Neechi Commons, the Concern for Community principle results in a communal minimization of the negative market externalities inflicted on their community through the delivery of culturally appropriate food products. "A co-operative can therefore provide a hub for organising particular local economic interests and/or for protecting common pool resources" (Simmons & Birch, 2008, page 2132) which is what Neechi Commons accomplished through their products and services for the Indigenous inner city community in Winnipeg.

Empowering the community is a more important performance measure for Neechi Commons and is a more important indicator of success than profit or market share (Neechi Commons, 2015). The current president, Ms. Champagne, of Neechi Commons and stated, “What’s significant to me is when you walk into this place, you see all these Aboriginal people running it," Champagne said. "That’s a huge impact on people’s perception. I don’t think there’s any other urban business in Winnipeg, and perhaps the entire country, that you can see a business complex run by Aboriginal people. I think that’s a big deal” (Story, 2015).

As Neechi Commons is a multi-stakeholder co-operative it takes on characteristics of a community within a community. As an organization Neechi Commons seeks to meet a need of their own community in the form of culturally
acceptable food and as such are able to, “express community values in an entrepreneurial form” (Sengupta, 2015, page 128). What makes the Indigenous entrepreneurship expressed in Neechi Commons an excellent example of what co-operatives can do for the community it serves is the “multiple goals in addition to economic self-sufficiency, including land ownership and use, and strengthening socio-economic circumstances and revitalization of traditional culture. This relates directly to the use of cooperatives for local, Indigenous development or subjugation; as an organizational structure, co-ops can either suppress local forms of entrepreneurship if they are imposed through top-down government policy” (Sengupta, 2015, page 128). Some of Neechi Commons concrete evidence of fighting off these negative externalities to create an empowered community are seen in the promotion of culture through art, culturally specific food and local Indigenous employment.

Neechi Commons’ states that it is Winnipeg’s largest commercial employer of First Nations and Métis people (Neechi Commons, 2015). This employment includes the 50 new jobs have been created at Neechi Commons main location within the inner city of Winnipeg. In addition, the arts store, Neechi Niche, is supporting the livelihoods of over 200 artisans and authors (What’s so special about Neechi Commons). It is not just the numbers that make their community empowered, instead there should be a greater focus on their methodology. Starting with the “community based ownership where by neighbourhood families are effectively represented in the control of the enterprise “(What’s so special about Neechi Commons) which makes every business decision effectively represent the community. Neechi Commons also exercises the importance of the co-operative principles of education, training and information (ICA 2015) into their
hiring and stable employment initiative, which is key to the overall development of their community. “Staff at Neechi are often seizing an opportunity for secure employment that might otherwise be unavailable to them…Neechi does most of its own on-the-job training, through community partners have contributed financially and provide consultation… The business complex, located at 865 Main St., is deliberately positioned in a community that faces tough socioeconomic problems and barriers of employment to offer them opportunities” (Coates, 2014). An obvious benefit to using the co-operative business structure is the entire model is built off a one person, one vote mentality that comes with being a multi-stakeholder owner/worker operated cooperative. Therefore, “employees have the opportunity to become business owners and entrepreneurs; an opportunity that most of them otherwise would never get” (What’s so special about Neechi Commons).

They do not only create employment but they make an effort to support other local enterprises, such as, “variety of urban and rural farmers or gardeners through a seasonal farmers market. Some of the urban gardeners are neighbourhood youth, organized and trained through ‘Food for Folks’” (What’s so special about Neechi Commons). To help its community even further, “Neechi Commons also is home to the Aboriginal Chamber of Commerce and to the Momentum Centre, which helps to transition Aboriginal youth and new Canadians aged 18 to 30 years off of Employment and Income Assistance into careers of their choice” (What’s so special about Neechi Commons). Through the commitment to the multi-stakeholder co-operative model, Neechi Commons has gain awareness of co-operatives as a community development tool. This awareness has
generated funding from the Governments of Canada and Manitoba as well as Winnipeg to help financially with this social enterprise.

The analysis of community impact of this social enterprise’s food and art distribution system focuses on intent and action. Neechi Commons seeks to, “to support Aboriginal-produced products and we also want to support locally produced products. We want to be a regional food and arts centre that creates a market for locally produced products,” said Louise Champagne, president of Neechi Foods Co-op Ltd (Story, 2015). Neechi Commons is acting as a cultural distributor, which makes it possible for everyone in the community to have easy access to this culturally specific store.

Neechi Commons’ grocery store is excellent example of a co-operative food distributor as, “they buy locally produced goods at higher prices to ensure food safety, local development and other goals (Harvey, 2003; Novkovic and Power, 2005), they sell at reduced prices in low income communities, and offer many other examples of internalization of community concerns into a co-operative business.” (Novkovic, 2008, page 2172). Recently, they have extended their business to include art to include the concern of the community over loss of Indigenous culture. Art is an excellent way to express and represent Indigenous culture. Neechi Commons according to Ms. Champagne, “reflects the artists in the neighbourhood. They’re generally living within a 14-block radius of the store, so here we are supporting products that are being produced in the neighbourhood and creating a market for that kind of production” (Story, 215). Neechi Commons enacted the co-operative model due to the very definition of a co-operative, which ensures expression of a communities, “cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.” (ICA, 1995).
Taking the co-operative definition further to include Indigenous views it is possible to look to the description of sustainable self determination by Corntassel (2008). “Corntassel (2008) describes “sustainable self determination” as the holistic integration of cultural and environmental values and how economic, social, cultural and environmental values are not separable from a holistic worldview for Indigenous communities” (Sengupta, 2015, page 130). If these values cannot be separated from the Indigenous worldview how can they be separated from the economic actions of Indigenous firms such as co-operatives?

5. SUSTAINABLE DEVELOPMENT

Self determination as a holistic, Indigenous value leads us to the concept of sustainable development. There are three prominent domains for the concept of sustainable development, “environment sustainability, social sustainability and economic sustainability”. The question becomes how does Neechi Commons fit into the sustainable development paradigm? Neechi Commons improves the growth in gross domestic product within it’s domiciled community that directly translates into an improved quality of life for the Indigenous and non-Indigenous residence of the community. While Neechi Commons focuses on improving Indigenous resident’s quality of life it is not possible for their products and services to not positively affect the community in which they reside. This positive externality represents a spill over into the Western culture and represents the intermixing of Western and Indigenous understandings of environmental, social and economic sustainability.

In view of Neechi Commons’ environmentally sustainable goals, which promotes environmental friendly practices through installation of geothermal heating and cooling
system, natural skylights, natural lighting with fibre optics and much more. Neechi Commons was awarded the Green Globes Certification for its efforts in environmental sustainability proving its focus on environmental issues (Neechi brochure, 2012). It encourages cycling to work by providing its employees with showers rooms and lockers to clean off after the bike ride as a means to encourage more environmentally friendly local, transportation.

The social goals Neechi Commons promotes are healthy foods and lifestyle through its provision of subsidized fruit baskets for neighbourhood children since inception 24 years ago. It is known as the first grocery store in Winnipeg to ban the sale of cigarettes as a statement for healthier living. It has been honoured at local and national levels for its work in diabetes prevention through promotion of healthy foods. It encourages cultural diversity through its specialty foods component, which features ethnically diverse foods and local specialty foods suppliers (Neechi Commons, 2015). All of these activities seek to promote a healthier and culturally acceptable Indigenous food co-operative that provides service to their community.

The economic goals held by Neechi Commons include community economic development. Neechi Commons guidelines for CED have been so successful that the Province of Manitoba has adopted its CED principles as part of the provincial CED policy framework (CED Manitoba, 2001). Neechi Commons’ CED principles have been widely adopted as a benchmarking tool for other CED organizations (Charron, 2010). In 2013, Neechi Commons was awarded the Excellence in Aboriginal leadership from the Asper school of Business, University of Manitoba. These awards and uptake of Neechi Commons’ economic policies and procedures shows that the co-operative includes an
economic focus to its operations along with the environmental, social and cultural components that make-up a true Indigenous co-operative enterprise.

Conclusion

The co-operative model has principles and values that are synergistic to positive economic and social growth, which make it ideal for Neechi Commons to revitalize its community. Revitalization of an Indigenous inner city community requires incorporation of self-determination, cultural inclusion into a business entity that empowers community members. The self-determination or autonomy provided by the co-operative model was control over cultural revitalization, economic actions and control over environmental development that takes into account place and food which are main tenets of the Indigenous culture. Within the co-operative structure control over cultural revitalization through self-governance is encouraged. Community participation is required within the co-operative model and leads to a reclaiming of cultural identity not offered by investor owned firms. Autonomy also includes economic control to increase the well being of community advancing commerce revitalization through the co-operative business model. Focus on sustainable development provides a level of control, which ensures the organizations long-term control over cultural values and functionality of livelihood within a Western environment.

According to Sengupta (2015), the history of Indigenous cooperatives in Canada is argued to have a direct correlation with Canada's historical colonization policies. Hence, a history of systemic socio-cultural and economic oppression becomes the catalyst and anchor for Indigenous self-determination towards cultural independence and socio-economic empowerment/revitalization. It is, therefore, suggestive to say that the
colonial impacts threatening the traditional and local food system of Indigenous peoples are in part a motivating factor for creating an Indigenous-led food system like Neechi Commons. An additional motivating factor needs to be considered, however, and that is the access to affordable, culturally appropriate food within an inner city community. Food deserts might be the impetus to consider the food security of Indigenous communities in inner cities. The co-operative business model provides the autonomy and concern for the community that promotes cultural inclusion within the food system providing access to culturally appropriate foods. Improving access to culturally acceptable foods means greater food security and sovereignty for Indigenous communities.

**Recommendations**

Further research is needed to understand how the co-operative business model can be a productive and useful tool for the advancement of Indigenous community development. More specifically, how does the co-operative model aid in the advancement of Indigenous economic, environmental and social development in urban communities.

Neechi commons is currently a benchmark for current Indigenous entrepreneurship because of its community empowerment via of resources distribution and employment. This co-operative led distribution system is able them to provide its community with solutions for market externalities, food sovereignty/security and sustainable development. More research is needed to examine the possibilities for co-operatives within the context of culturally acceptable food systems.
REFERENCES


