

# Co-ops Connect FYI

By Jonathan Chambers • Oct 07, 2022

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Updates and insights for electric cooperatives considering or operating rural broadband networks.

## Electric Cooperatives, A Uniquely American Institution



There are other types of cooperatives in the United States, other cooperatives around the world, and even a number of electric cooperatives in countries such as the Philippines.

**But the electric cooperative movement**, borne in the depths of the Depression, has uniquely American attributes.

**Among those attributes,** I count three as the most significant:

- 1. The American proposition**
- 2. The American covenant**
- 3. The American vision**

## The American Proposition



*“...a new nation, conceived in liberty and dedicated to the proposition that all men are created equal.”*

**Our country was founded** on the principles of liberty, equality, and democracy.

**What makes cooperatives** fundamentally different from other business structures? ***The nature of the ownership.***

- Cooperatives are owned by members, and being so owned, governed by members following American principles of democracy.

## Why it matters:

**Member ownership and democratic governance** are the most significant reasons that cooperatives have long delivered a better service at a lower price.

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## The American Covenant



**America was built on a covenant**, a covenant of *“We, the People.”*

- The people are all of us together.
- Throughout our history, we have returned again and again to that essential notion that we are all Americans and we are all part of a great social, economic and cultural journey together.

## Yes, but:

**The covenant of America has bypassed** too many, overlooked too many, allowed too many to come up short.

- If we are to overcome what divides us, it will be by a recognition that, despite our differences, we are all in this together.

## The bottom line:

**Electric cooperatives were built on a covenant**, a covenant of “*We, the Members.*”

- A covenant binds people together and lifts them up.
- Building the electric distribution networks was hard, physical work.
- Just as important as the physical nature of the work, **covenant made it possible.**

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## The American Vision



Our nation has always looked to the future and fostered invention. Beginning with Franklin, invention is part of America’s DNA.

- **Most major inventions** and advancements in technology over the past two hundred years were developed and nurtured here.
- **By invention, I don’t mean** the big things: cotton gin, light bulb, telephone, auto assembly line, robots, personal computer, the

Internet, space exploration.

- **I mean invention as culture**, as a way of overcoming obstacles and bettering our lives.

**Why it matters:**

**Rural electrification** falls squarely in the great American tradition of invention. When investor-owned utilities would not, could not, build electric networks to rural areas, *those same rural communities found a way.*

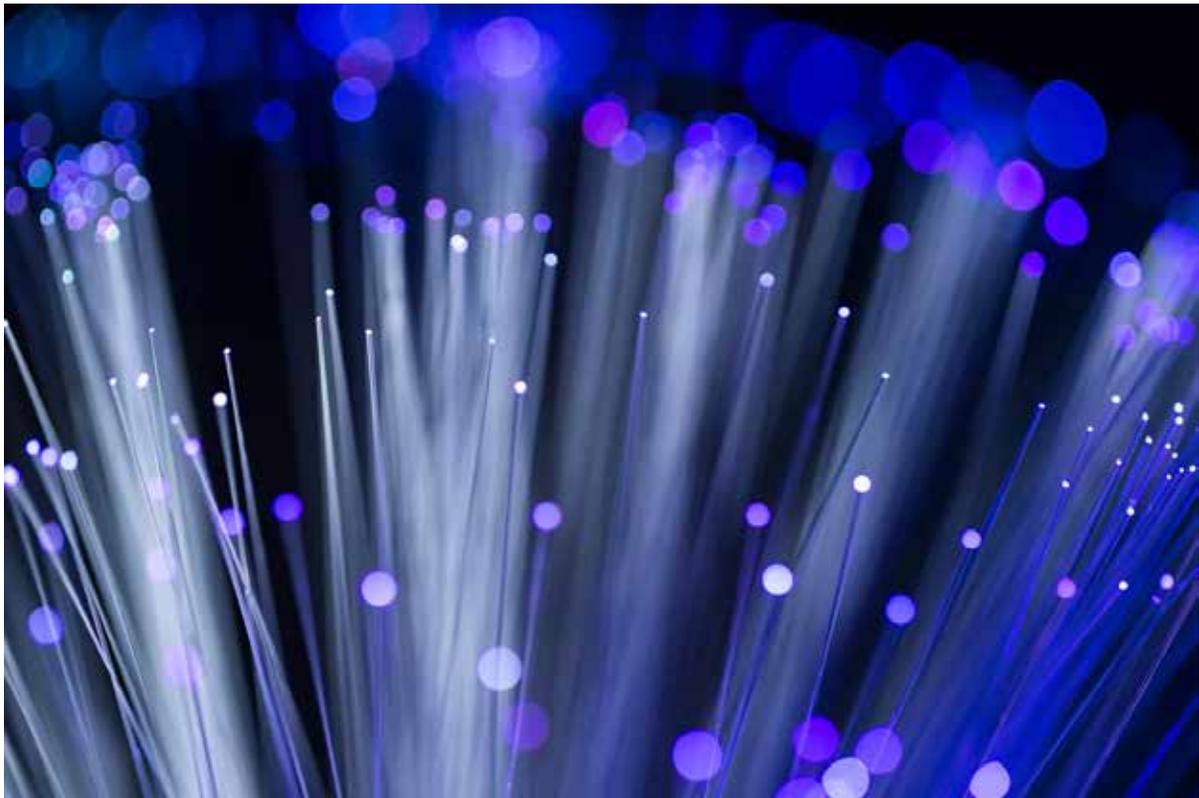
**The bottom line:**

**Rural broadband** is in the same great tradition. When telephone companies and government agencies claimed that fiber optic networks were too expensive for rural America, *electric cooperatives proved otherwise.*

**For Conexon**, too, invention is in our DNA.

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## The Next American Cooperative



**I've heard people analogize** rural broadband to the rural electrification movement of the 1930s and 1940s.

**To us**, it isn't an analogy; ***it's a reality.***

- The same companies that built electric networks across the nation are building broadband networks.
- After decades of failure by the telephone and cable industries, electric cooperatives are stepping up to solve the digital divide.

**Looking to the future:**

So, what about rural areas that lack an electric cooperative, or where the electric cooperative has chosen to stick strictly to the electric business?

**I believe there is a role** for a cooperative in those cases, too, ***perhaps a broadband cooperative.***

- But it cannot be a name only, or a legal structure only.

- Such a cooperative must follow the principles that have worked so well in the electric cooperative movement.

**In weeks to come**, I'll describe a path for a broadband cooperative, separate from electric cooperatives.

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