

History from the 35th annual report (2002)

The Federation of Southern Cooperatives/Land Assistance Fund has had significant economic, social, educational and political impact on individuals, families, communities and institutions in the South. Through difficult as well as good times, the Federation/LAF has provided economic stability, technical support, education and advocacy, on behalf of people cooperating to better their communities. The Federation/LAF has been a strong regional force for change, sometimes the only support for underserved communities of color. Through our work and spirit, we have gained a national reputation for facilitating cooperative development in the poorest communities of our nation.

The Federation/LAF maintains a comprehensive program for cooperative economic development in sustainable agriculture, land retention and acquisition, marketing, business and credit union development, affordable housing, education and training, youth development, international development, advocacy and policy development, institution building, and leadership development.

The Federation/LAF has held together a membership of over 100 cooperatives, credit unions and community-based organizations, involving 25,000 rural and low-income (mostly Black) families, including some 10,000 family farmers owning a half million acres of land. The Federation/LAF has grown from an organization with a budget of \$547,473 in 1970 to \$3,196,746 in 2001.

Over the past 35 years the Federation/LAF has leveraged resources five times the amount of funds raised (more than \$40 million), and facilitated the savings of more than \$27.4 million by 14,000 people in member credit unions.

The Federation/LAF has employed and trained over 500 people in various positions, which provide skills, knowledge, awareness and the necessary sensitivity to work creatively and effectively on behalf of poor people. Many of our former staff work in positions of significance throughout the country, including: Congress persons, state legislators, county commissioners, school board members, program directors, bank managers, attorneys, social workers, college faculty, foundation staff, business people and others.

While the Federation/LAF has provided services, learning and leadership experiences, saved family estates, reduced debts, increased revenues and enhanced stability for members (through producer, marketing, consumer and credit cooperatives), taught techniques and skills all of incalculable worth, a beginning estimate of the additional monetary impact of the Federation/LAF, for the past 35 years is over \$300 million. This includes:

* \$75 million in sales through cooperative marketing

* \$25 million of member shares saved in credit union accounts and 50,154 loans totaling \$97.5 million to low income families

- \$26 million worth of housing units constructed and rehabilitated

- \$50 million mobilized in resources for support of member cooperatives and credit unions

- \$100 million worth of land saved and retained.

Let us look at some of the specific achievements. In Sustainable Agriculture, the Federation has helped farmers grow alternative crops (vegetables, fruits and nuts) which are more profitable for small acreage, and engage in value-added production. Farms have been saved, conservation practiced, and jobs created. Studies show increased farming in counties served by Federation/LAF.

Land Retention

In Land Retention, we have assisted over 12,000 Black farmers and landowners to save in excess of 200,000 acres of land, through information, technical assistance, estate planning, loan restructuring and direct support. We have worked with Congress and state legislatures to make policy changes. For example, the Emergency Land Fund was instrumental in getting several state legislators to modify outdated and discriminatory heir property laws which are among the leading causes of Black land loss. The Federation/LAF helped organize the "Campaign for a Just Food and Agriculture Policy" which for the first time empowered a wide coalition of family farmers to come together to strategize, plan and make a positive impact on the current Farm Bill.

Sustainable Agriculture

Directly through our work funded by the USDA Section 2501 Small Farmer Outreach Program, since 1995, the Federation/LAF has saved 4,054 acres of land with a value of \$3,356,720 and helped farmers purchase 1633.1 acres of land with a value of \$1,408,550. In 1995, there were 125 farmers in the program which increased to 192 in 2000. The program has served 3,874 participants through 200 meetings and workshops. We assisted farmers in receiving \$13,708,070 in loans over the past seven years. In 1995, 54 percent of our farmers grew alternative crops, by 2001, 87 percent grew alternative crops. The average gross income of farmers in the program increases by 2 percent each year, up to \$55,413.00 in 2000 from \$40,665.00 in 1995. In 1995, 64 percent of the farmers depended on off-farm income to survive. By 2000 only 52 percent of the participants depended on off-farm income.

We helped more than 650 farm families develop livestock projects in connection with Heifer Project International. These farmers were able to diversify their operation by

adding such livestock as cows, pigs, goats, chickens, ducks, honey bees, to their farming operations.

Law Suit Assistance

In the Pigford vs. Glickman (now Veneman) class action lawsuit on behalf of Black farmers, the Federation/LAF directly assisted over 2,000 of our members to file claims. Many were successful in receiving the Track A settlement of \$62,500 (\$50,000 in hand and \$12,500 payment to IRS for taxes). We have helped 650 of our members to file petitions for reconsideration by the court appointed Monitor in the lawsuit, when they were among the 40 % of original claimants turned down in the settlement. The Federation/LAF encouraged and assisted over 3,000 farmers in communities we serve to file a late claim in the case. Most of the petitions for reconsideration and late claims have not been decided more than three years since the settlement was announced. We are also assisting farmers to claim their "injunctive relief" under the lawsuit, where they are supposed to receive priority consideration for new loans from USDA.

Housing

The Federation/LAF has helped more than 700 families secure decent housing, including 126 units of multi-family housing in four projects that were developed, constructed and managed by PLBA Housing Development Corporation, the Federation's affiliate in Alabama. Beginning with forty (40) units of self-help housing constructed in St. Landry Parish, Louisiana, we have assisted countless families to build new homes and rehabilitate their existing homes. At an average of \$40,000 per unit, these 500 single family homes add up to \$20 million, plus \$6 million for the four multi-family rental developments. The total impact is \$26 million and counting.

Job creation and business enhancement (contracting with Black contractors, businesses and organizations) were natural overflows from our housing development activities. The PLBA HDC management corporation provides six full time jobs in the management and maintenance of the 126 units. Through our multi-family projects, we support tenant involvement, youth development, day care and classes on home ownership, which has resulted in the "graduation" of many of our tenants to home ownership.

Credit Unions

There are over 14,000 members of our 16 credit unions with \$27.4 million in assets and \$22.4 million held in members' shares. The credit unions have \$17.2 in outstanding loans. At the end of December 2001, these credit unions together had made a total of 50,154 loans with a value of \$97.5 million since each one was organized. This access to financing has made a difference in the lives of the individual members and in the communities where they live. Over the years, a dozen or more member credit unions in which we invested significant technical support were liquidated or merged by the National Credit Union Administration, the Federal regulator, for loan delinquencies and other problems. Our impact in developing community financial institutions would be

even stronger if the government regulator had been more patient and given the Federation the opportunity to work with its members to resolve problems and restore needed operations and services. -

Co-op Development/Marketing

The Federation began in 1967 with 22 cooperatives and credit unions in seven southern states, many of which were organized through the civil rights movement. The cooperatives were primarily agricultural marketing and supply, although there were some fishing, consumer, handicraft production, housing and others. Currently there are 65 dues paying members and another 30 inactive groups carried on our membership rolls. As a voluntary non-profit association, we cannot compel groups to join or operate as though they were branch offices.

Through cooperative marketing farmers have sold an average of \$2 million annually in crops, produce and livestock, totaling more than \$75 million in sales over the life of the organization. The Federation responded to the needs of the civil rights movement to build an alternative economic support structure in distressed rural communities. The movement often generated opposition and hostility and received no services because of retaliation by white farmers, land owners and their political allies.

International Development

In International Development, the Federation/LAF has been a model and provided technical assistance for start-up cooperatives in Africa. We are currently working with cooperative groups in The Gambia, Senegal and Ghana on program development and exchanges. The Federation is also developing a mutually beneficial farmer-to-farmer technical assistance relationship with Cuba. In fact, we serve as a model for land-based economic development around the world.

Rural Training and Research Center

In 1971, the Federation developed its own Rural Research and Training Center on over 1,000 acres of land in Sumter County, Alabama. The facility has hosted hundreds community meetings, seminars and workshops as well as over 50 summer youth camps. Our training center is an example of land based centers owned by underserved people a,, the center piece for development. For the past three decades, the Federation/LAF has trained thousands of people in cooperative and credit union development, agricultural and forestry skills and land retention strategies. In the most recent period, from March 2000 to June 2002, the Federation/LAF held 65 workshops involving 1538 participants. For most of its history the center has provided training to 400 or more cooperative leaders each year. The center at Epes is also used regularly now for youth development programs in Sumter county and surrounding areas of the Alabama Black Belt.

Over the years, at the Rural Training and Research Center, we have hosted thousands of meetings to bring information and solidarity to low-income people in the rural South, assisting them to take action when their livelihoods and communities are threatened. Many social justice activists have used the Federation facilities to meet and strategize including -Pastors for Peace, Peace Corps, American Friends Service Committee, groups rebuilding Black churches after the burnings in 1995-97, National Democratic Party of Alabama; FOCAL, an Alabama child care center association had their founding meeting at our training center. The Texas Farm-worker march in the 1970's, Africa Peace Tour in the 1980's; the pilgrimage from Boston to South Africa in the 1990's; and many international training as well as farming and forestry demonstration projects have enjoyed the hospitality of the Center.

Enterprise Community

The Federation is the "lead agency" for the Greene-Sumter Enterprise and Renewal Communities which serves low-income people in the area. Since its designation in 1994, the Greene-Sumter EC/RC has leveraged its \$2.9 million grant from the government to attract over 500 new jobs; provide job training for 1,200 people; generate over \$29 million in additional funds and improve the quality of life in the area. The GreeneSumter EC is one of the few with a community based organization, the Federation/LAF, providing management as well as fiscal and programmatic back-up support.

Advocacy and Policy Development

Though its Advocacy and Policy Development effects the Federation conceived and successfully lobbied for the passage of Section 2501 of the 1990 Farm Bill which was continued in subsequent farm bills. These provisions enable community based organizations and predominately minority Land Grant Colleges and universities to share in a special \$ 10 million authorization, though never fully funded, that provides much needed technical assistance to underserved farmers. The Federation's continuing work to dramatize the plight of Black farmers created the basis for these and other legislative changes as well as creating the background for the Black farmer class action lawsuit. The Federation was also a major advocate for legislation establishing the National Cooperative Bank (National Consumer Coop Bank), the USDA's Rural Cooperative Development Grants Program and Value Added Grants Program which have provided resources for enhancing rural cooperative development.

Summary Comments

As we began working on this 35th annual report, we realized the breadth, depth and scope of the Federation/LAF's impact on the region and its citizens. This report is the beginning of a more comprehensive study of the impact of the organization in easily measurable tangible ways as well as the intangibles that change behaviors and actions. We want to develop systems to record, capture and report contacts and outcomes on a regular basis both internally as well as to our supporters. By doing so we can better meet the ever changing needs and circumstances of our members.

