

The Rochdale Cooperative Principles

- 1. OPEN, VOLUNTARY MEMBERSHIP.** Membership in a cooperative society should be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.
- 2. DEMOCRATIC CONTROL.** Cooperative societies are democratic organizations. Their affairs should be administered by persons elected or appointed in a manner agreed to by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.
- 3. LIMITED RETURN, IF ANY, ON EQUITY CAPITAL.** Share capital should only receive a strictly limited rate of interest.
- 4. NET SURPLUS BELONGS TO USER-OWNERS.** The economic results arising out of the operations of a society belong to the members of that society and should be distributed in such a manner as would avoid one member gaining at the expense of others. This may be done by decision of the members as follows: a) by provision for development of the business of the cooperative; b) by provision of common services; or c) by distribution among the members in proportion to their transactions with the society.
- 5. HONEST BUSINESS PRACTICES.** Cooperatives should deal openly, honestly, and honorably with their members and the general public.
- 6. ULTIMATE AIM IS TO ADVANCE COMMON GOOD.** The ultimate aim of all cooperatives should be to aid in the participatory definition and the advancement of the common good.
- 7. EDUCATION.** All cooperative societies should make provision for the education of their members, officers, and employees and of the general public in the principles and techniques of cooperation, both economic and democratic.
- 8. COOPERATION AMONG COOPERATIVES.** All cooperative organizations, in order to best serve the interest of their members and their communities, should actively cooperate in every practical way with other cooperatives at local, national, and international levels.