Submission to:
Review of the Financial Institutions Act (FIA) and the Credit Union Incorporation Act (CUIA)
FIA & CUIA Review, Policy & Legislation Division, Ministry of Finance
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Democratic Member Control [DMC] is an essential characteristic, providing unique advantages for BC's credit unions, but also presenting a significant risk when abused

Catch 22: DMC has been disabled to various degrees at BC's largest co-ops and credit unions, but it cannot be restored until members are given the ability to elect directors who believe in the inviolability (and advantages) of the Co-op Principles.

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Overview

Credit unions are consumer co-operatives. One of the seven defining principles of a co-operative is 'democratic member control' [DMC]. DMC creates a clear distinction between co-operatives and corporations in terms of their fundamental structure and operating dynamics. It is widely posited that member engagement made possible by DMC can provide operational and marketing advantages to a credit union. The largely ignored corollary of that statement is that movement by a board and management *away* from DMC – including actions not captured by current audit tools – can set up high-risk situations for credit unions, and in turn for consumers and the Province.

The current review by the Ministry of the FIA and CUIA provides an opportunity to address and minimize this risk to consumers and the Province. A necessary first step toward containing that risk is to have a more thorough understanding of the actual mechanisms being used by some BC co-operative boards and management to stifle DMC. Following that, the questions of new auditing standards, who conducts the auditing, ombudservices, and other matters can be explored. Original research in this submission focuses on an inventory of practices used to balance – or thwart – DMC.

Part One presents a conceptual model of both corporate and co-operative structures to illustrate the distinctive completed circle of control-service-benefit relationships that defines the co-operative and creates many advantages over a for-profit corporation.

In **Part Two**, we note that various tools have been proposed by Canadian and international researchers and organizations for auditing (surveying, measuring) DMC in practice. However, these auditing tools are limited, and can be 'gamed' by a board of directors to provide an appearance of DMC, even in situations where DMC has been demonstrably compromised, even severed.

We note that government regulation and guidelines are few, vague and inadequate, and not enforced. 'Best practice' standards are typically established by directors, with no input from the members' perspective, and are increasingly modeled on publicly traded corporations.

Part Three presents an inventory of practices currently being employed in varying degrees by boards and management of BC co-operatives and credit unions to thwart – or support – DMC. We surveyed only five of the largest organizations (MEC, Vancity, Coast Capital Savings Credit Union, First West Credit Union and Peninsula Co-op) and only to the extent necessary to create this inventory of practices, understand the functioning and note particularly egregious examples.

We suggest that audits of credit union governance could be made more robust and informative if these specific DMC-impacting practices are measured.

Part Four examines potential risks when DMC is highly compromised, in light of some trends in demographics and technology. We offer one scenario where a ‘run on the bank’ might occur.

Part Five discusses recommendations for reform.

Part One

There are seven principles of a co-operative enterprise:

1. voluntary and open membership
2. ***democratic member control***
3. member economic participation
4. autonomy and independence
5. education, training, and information
6. co-operation among co-operatives
7. concern for community[i]

Democratic member control is typically described as follows:

> *Co-operatives are* ***democratic*** *organizations* ***controlled by their members****, who* ***actively participate in setting their policies and making decisions****. Men and women serving as elected representatives are* ***accountable to the membership****.*[ii]

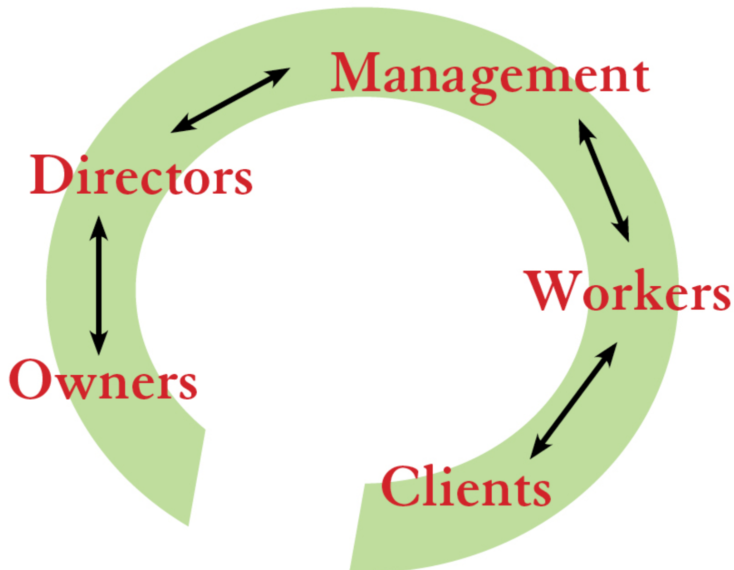
To look for the health of democratic member control, one could logically start by examining:

1. Is 'democracy' happening?
2. Are the members actually 'in control'?
3. Are members actively participating in setting the organization's [strategic level] policies and making [major] decisions?
4. Are the elected representatives accountable to the membership?

But before considering how to conduct an examination of DMC within any particular co-operative, it is important to have an understanding of what function(s) DMC plays from an organizational perspective. Therefore the following conceptual model.

CONTROL DYNAMICS AS A DEFINING FACTOR FOR ORGANIZATIONS

Every organization operates with **dynamic control relationships** between the owners, directors, management, workers and clientele. For example, a classic for-profit corporation could be modelled as follows, where the two-way arrows denote ever-evolving **control-service-benefit relationships** between adjacent parties:



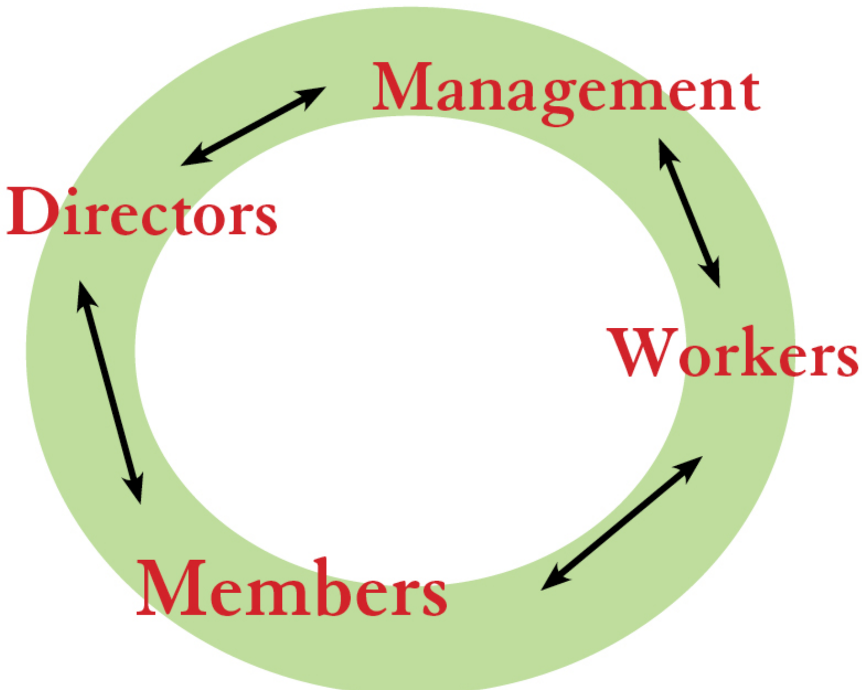
For example, *workers* will negotiate – formally and informally, sometimes overtly and other times without specific intention, continually – with *management* about salaries, working conditions, procedures, motivation/commitment, and many other matters. For example, management could increase or decrease salaries, while workers could alter their attitudes and productivity, even withdraw their participation by going on strike. Both parties hold a portion of ‘control’, each receives benefits and provides services to the organization.

Similarly *workers* interact with *clients* on behalf of the corporation, providing the services and/or products to clients who decide whether to interact (buy) or not. Each party provides services to the other and receives benefits, all of which allows the organization to function. Both parties have a degree of control (aka power) in each bi-party dynamic.

Owners (the shareholders in a corporation) have to participate in a control dance with *directors*, who in turn must rely on *management* for information and daily oversight, motivation, etc. A corporation risks becoming dysfunctional when any one of the bi-party control dynamics becomes significantly unfair, or totally one way.

It is important to note that in the above diagram we see that there is no direct control-service-benefit dynamic between *owners* and *clients*. So one can understand why there might be a gap between owners and clients in terms of commitment to the local community, for example, with the attendant risk that the clients might switch allegiance to another service/product provider who presents a ‘better’ option more aligned with their needs and wants.

In contrast to for-profit corporations, co-operatives are quite cleverly structured so that there is to be no gap. Clients and owners are merged into one entity; *members* are *both clients and owners*. From a management consulting perspective, there is a certain genius to this difference. See diagram below of a co-operative organization.



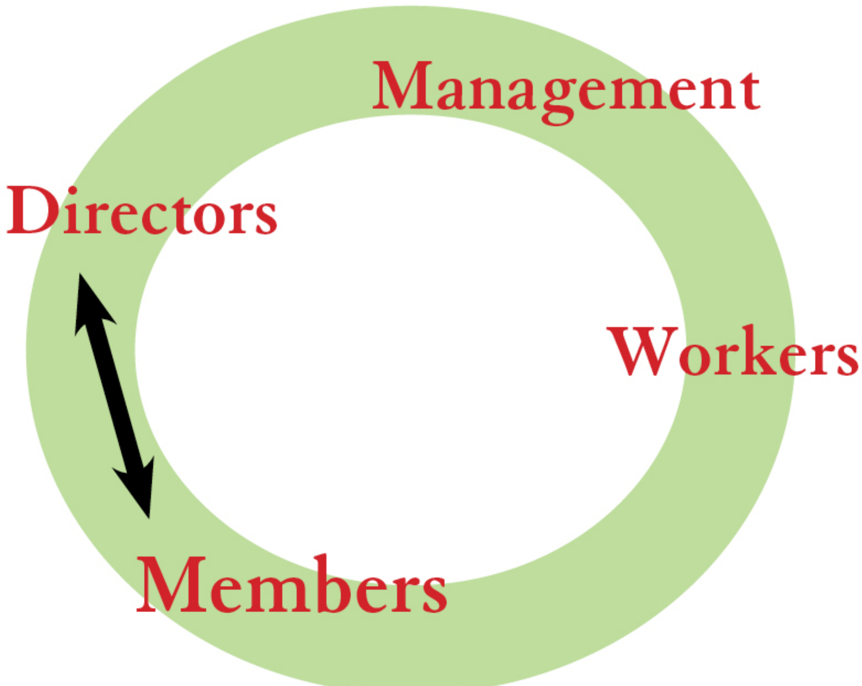
Co-operatives form a closed-loop of dynamic bi-party control relationships. Members are able to exert a degree of control in both directions. Theoretically, the organization is stronger and more sustainable because it can operate in a manner that reflects and respects member-owners who are also the clients. In practice, there are tens of thousands of highly successful co-operatives and community-based economic entities around the globe that are a testament to the rigour of this closed-loop model.

Mills and Davies attest to this view:

Uniquely amongst models of enterprise, co-operatives bring economic resources under democratic control. The co-operative model is a commercially efficient and effective way of doing business that takes account of a wider range of human needs, of time horizons and of values in decision-making. It is an approach which works on a very small, and on a very large scale. The co-operative sector is worldwide, providing millions of jobs around the globe. Co-operatives develop individual participation, can build personal self-confidence and resilience, and create social capital. Co-operative institutions create long-term security; they are long-lasting, sustainable and successful.[iii]

UN Secretary-General Ban Ki-moon points out that, “Co-operatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility."[iv]

For this submission to the FIA and CUIA review, we are focusing on only one dynamic control relationship: the interaction between the *members* and *elected directors*. See diagram below.



This particular bi-party dynamic relationship is essentially 'democratic member control'. Again, quoting Mills and Davies:

> *Collectively members own their co-operative, and through democratic arrangements they participate in its governance. Individually they have a right to information, a voice, and representation.*[v]

This is all grand until the balance of power is tilted too much in either direction. If the relationship becomes dysfunctional by *members taking too much control*, the organization's direction and management can become impotent, destabilized and chaotic. The co-operative is then at risk of being less efficient, even of failure.

If the relationship becomes unbalanced in the other direction, and the *directors have taken too much control,* the organization loses the strength and stability of member engagement and loyalty. Without a healthy give-and-take, checks-and-balances situation, the directors may fail to guide the organization to be aligned with members' needs and wants. This could prove dangerous to the viability of the organization.

The genius of the co-operative structure is the complete chain of dynamic relationships forming a closed circle. Not only is breaking that chain risky – but a major imbalance in DMC also fundamentally alters the nature of the organization.

When DMC has been essentially severed, one might question whether the enterprise is still a 'real' co-operative. Mills and Davies frame this question as: "Developing [legislative] guidance involves establishing the irreducible core – e.g. what is the minimum requirement behind "controlled by their members" in the 2nd Co-operative Principle?[vi]

In Parts Four and Five, we will discuss how and why the rupturing of the co-operative control structure could prove particularly risky, and consider options to ensure healthy, balanced DMC.

Part Two

Various tools have been developed by Canadian and international researchers and organizations for auditing co-operatives, and this work and orientation is to be lauded. However, none of the tools appears to measure DMC sufficiently to identify some of the 'creative' anti-DMC measures that are outlined in Part Three.

The recently released book, *Co-operatives for Sustainable Communities: Tools to Measure Co-operative Impact and Performance*, from Co-operatives and Mutuals Canada and the Centre for the Study of Co-operatives, provides a comprehensive review of various scorecards, audits and indices developed for Canadian co-ops and credit unions.[vii] Chapters within the book also discuss Canadian co-ops and credit unions' experience using international tools to measure social responsibility, triple bottom line, etc. as co-operatives seek to better track their own performance in practicing the Seven Principles. *Chapter 12*, for example, examines Vancity's use of AccountAbility 1000 (AA1000), Global Reporting Initiative (GRI), and Integrated Reporting.

The only tool we found that focuses on DMC is the Co-op Democracy Scorecard spreadsheet[viii], which lamentably has not been taken up by BC co-operatives or FICOM to our knowledge.

Looking at the various tools for their DMC-specific measuring, we find some looked for the presence/absence of a strategic plan, for example, without probing if it is available to members; or count attendance at the AGM without investigation of the quality of decision-making. Often members may be surveyed for their attitudes along a scale or continuum. However, these auditing tools are limited and could be 'gamed' by a board of directors to provide an appearance of DMC, even in situations where DMC has been demonstrably compromised, even severed. Hence the need to know what potential problems may exist before design of an audit mechanism.

One challenge we had in investigating DMC at BC's largest co-ops and credit unions was the lack of well-defined standards for DMC. Essentially, we were asking what are the 'rules of engagement' for the member-director control dynamic? Who sets these rules? Who enforces them? Surprisingly only a few DMC-impacting practices are enshrined in BC's laws and regulations. For example, every year a general meeting must be held, a financial report made available to members, and elections held for directors. Yet, even for these most basic legal requirements, specifics are sadly absent. Are members given enough information to meaningfully participate at an AGM, or is the meeting a tightly-controlled, meaningless ritual where members' questions and advice are barely tolerated? Does the financial report also examine social and environmental impact? Is it made available prior to the election of directors? What would constitute a 'fair' (or 'unfair') election?

Immediately we saw that basic legal requirements were a far cry from being equivalent to members' and directors' ethical requirements to honour the seven co-operative principles in spirit and practice.

Stepping beyond legal requirements, we looked at guidelines created by the Financial Institutions Commission, such as the September 2013 *Governance Guideline*.[ix] Given that FICOM's top priority is ensuring the Province does not need to bail out members of insolvent credit unions, it is not too surprising that the principles and standards in this document are heavily weighted toward financial 'risk appetite', rather than such matters as social responsibility or democratic member control.

Within the *Guideline*, standards for board-member governance [DMC] are sparse, vague, and apparently not monitored and enforced. As an example, on page 10 of *Governance Guideline*, "3. The board takes an active role in the director recruitment process by: … establishing a **transparent and independent evaluation process** to compare candidates to the necessary skills and qualities…" Some credit unions have no pretense of independence in their evaluation process, with all members of the evaluation team being serving directors, passing judgement on their colleagues who are running for additional terms. FICOM doesn't know about, or is turning a blind eye to, this obvious breach.

Another example, again referencing the 2013 *Governance Guideline*: "12. The board has in place policies and procedures … to address its own performance, development and succession, including: … defined terms for directors." In 2014, when Coast Capital Savings Credit Union's board went to extraordinary lengths to block a member resolution to establish logical term limits, FICOM dodged members' urgings to intervene.[x]

In the absence of specific regulations and guidelines (and with a lack of appetite by the administrating agency to provide precedents through interventions), DMC-related practices have been based on 'best practices' – a loose term for 'what anyone else is doing that appears to be working and not illegal.' Based on our interviews with directors and other key informants, it appears that the top sources from which BC co-op and credit union directors are drawing best practices would be (not in any particular order):

1. directors' own experience on other boards (whether those are non-profits, government agencies, corporations or co-ops),
2. the Institute of Corporate Directors,
3. advice from governance consultants, and
4. second-tier co-ops (such as Central 1, BC Co-operative Association or CMC).

In most cases, boards seem to be cobbling together practices on the fly, and unilaterally implementing policies and procedures that govern DMC. By this, we mean that members' interests are not represented in these important decisions – except through the logic that directors are by definition representative of the members, and the belief directors would never act in their own self-interest to boost their power.

Since best practices play such a pivotal role in establishing the DMC environment, one would hope that there would be some concept in play whereby the members' perspective and interests were represented and the balance of power could not drastically tilt towards the directors. Indeed, this is possible: for example, at Vancity, member input is considered and incorporated through a robust system of polling, committees and other initiatives. In sharp contrast however, at Coast Capital, members' attempts to influence DMC-related practices (term limits, disclosure of executive compensation, electoral practices, directors compensation) were met with contempt and open hostility by the board.[xi]

Second-tier co-operatives (aka umbrella co-ops) were cited in director interviews as a source of best practices. We note that second-tier co-operatives are answerable to *directors* of member co-ops, not to the *members* of those co-ops. Because of this, a situation exists where the best practices recommendations have been drawn up by directors only – without consideration of a member control perspective – and most are highly biased toward a board-in-control ideology that is almost contemptuous of members' right to control.

We observed that new directors are advised by their peers to be trained through the Institute of Corporate Directors [ICD]. The ICD, like any other guild or professional organization, exists primarily to further the interests of its members. ICD's mission begins with "To represent the interests of directors."[xii]

And like any other professional organization, ICD unabashedly works toward its members having more power, remuneration and perks. It is therefore no surprise that ICD's best practices for board governance have been created in alignment with that goal. Even ignoring ICD's director-first mandate, getting training and guidance from this organization seems somewhat curious for co-operative directors – given ICD's corporate roots and neo-liberal orientation (contrasting to the socialist orientation articulated by the Rochdale Pioneers).

The influence of ICD has become considerable; the biographical blurbs on many co-op directors highlight their ICD membership or certification. The prospect of securing multiple part-time, high-paying directorships is clearly attractive to many; 'a forum for networking' and 'career advancement' are stated goals of the organization as it strives toward professionalization of directorships.[xiii]

Unfortunately, though there are organizations to promote executives' and workers' power, there is no counterbalancing organization to fight for member control.

Thus, we observe that members' democratic control is at the mercy of directors who are subject to little legal requirement, vague and unenforced guidelines, and best practice recommendations drawn from a mixed bag of sources (none of which have members' interests as a priority).

One wonders about the feasibility of orchestrating an initiative involving members, retired directors, activists, academics and co-op oriented consultants to create better-balanced and detailed DMC-related best practices. BC has one notable experience with a discussion forum that was largely independent of insider control. The 2004 Citizens' Assembly on Electoral Reform was carefully designed to enable citizens to study an important issue without government control of their information and discussion process.[xiv]

Part Three

In this part, we will examine 'governance' mechanisms that impact the democratic member control [DMC] dynamic. Some mechanisms are legal requirements that have been complied with in rather 'creative' ways; others are practices either instituted by member resolutions or adopted unilaterally by the board. We note some lamentable examples that show boards of some of BC's largest credit unions and co-operatives methodically altering the control-service-benefit-relationship, weakening members' control. We also note some examples of contrary situations: boards strengthening DMC and member engagement.

Sidebar:

Co-op and credit union governance in BC: the challenge and the opportunity

Have directors taken our co-ops and credit unions too far away from their "democratic member control" roots in the name of being "more efficient and corporate"?

Can governance be modernized while being reformed?

Imagine if …

The federal political party in power identifies its candidates as "Recommended by Canada" right on the ballot, placing their names at the top of the list of candidates, emphasizing their names in larger font, bolding and/or colours. The governing party's rationale/spin for recommending these particular candidates is prominently included with the mail-in ballot. There is no provision for rebuttal to this propaganda by the opposing candidates.

Actually, for good (bad) measure, no campaigning is allowed at all; opposing candidates who do any campaigning (beyond a brief statement vetted by the governing party and printed in the mail-out materials) will be disqualified by a government-controlled committee without a hearing or recourse. Candidates cannot even reveal they are running for office in any emailed correspondence, on the phone or at gatherings. They may not speak to the media; there is no advertising or circulation of flyers or websites or signage – any of these will trigger disqualification. Candidates may not state how they will vote on any issues.

The governing party can also selectively prohibit individual opposition candidates from running for office at all – again without legal recourse.

Are referendums or special resolutions allowed? Only if the cabinet approves of the intent!

All governing happens in strictly confidential meetings, without revealing agenda, issues, deliberations or decisions to the public – ever – unless the government wants to expound on its cleverness, or is legally bound to reveal certain details in an annual financial report. An elected candidate who later disagrees with the government position on any matter is bound by strict confidentiality regulations to never, ever publicly disclose the matter, and must publicly endorse every government decision. There are no Freedom of Information Rights for citizens or the media. Over time, those in power succumb to the temptation to arrange ever-increasing salaries and perks, and to thwart calls for term limits. Elections have essentially become coronations.

One expects that Canadians simply would not allow the arrangements ('governance') described above to happen at the federal level. It would also cause an uproar at the provincial level, at the municipal level, for school board voting, essentially at any organization that is expected and required by law to be 'democratic'.

Yet the above imaginary federal scenario is based on a composite of actual, current governance practices in BC's largest co-operatives and credit unions. One might argue that light needs to be cast into board rooms, and reforms made to restore *democratic member control* – one of the seven Co-operative Principles.

How might the current review of FIA and CUIA provide solutions?

Co-operatives, including credit unions, are supposed to be democratic, with boards responsible to the members. Directors may cite a rationale that the role of directors of a financial entity is 'too important' to leave selection of new directors to the 'risk' of real democracy. An opposing view would hold that democracy is not an option for a group of directors to dismiss – it is a fundamental principle and inviolate.

Following is a list of DMC-related governance practices with a short explanation and discussion of the challenges associated with each one, followed by recommended changes to legislation and/or guidelines.

RIGGING THE BALLOT FORM

A cornerstone of democracy is the unbiased ballot form. By unbiased, one expects the candidates' name are listed in alphabetical or random order, all in the same font, without manipulative messaging on the ballot form.

Unfortunately BC's largest credit unions and co-operatives identify some candidates as "Recommended" right on the ballot, typically placing those names at the top of the list of candidates, emphasizing their names in larger font, bolding, even different colours.

The common argument presented for biasing the ballot is that the board has an obligation (from FICOM's *Governance Guideline*[xv] and 'best practices') to screen and/or recruit suitable candidates for director, and present their recommendations to the members. Many boards have taken this guideline (and the 'too important' assertion) as licence to subvert basic democratic principles in many ways, including rigging the ballot sheet. As far as we could determine (FICOM did not answer our queries), FICOM does not explicitly compel co-ops to place the recommendations directly on the ballot.

The counter-argument to rigging the ballot is the assertion that democracy is not optional (i.e., ballot rigging is corrupting and blatantly anti-democratic), and the election of credit union directors should not be considered more important than, say, the election of MPs to Canada's parliament. We suggest that co-op members can be informed of recommendations in many ways without need to taint the actual ballot: for example, information can be included on a separate sheet with mailed out ballots, and/or on a separate page/screen for online voting.

Ballot rigging is incredibly effective; non-recommended candidates are seldom, if ever, elected. Dr. Mark Latham has clearly demonstrated the power of rigging the ballot at *http://votermedia.org/publications/MarkLathamCommentsOnFICOMDraftCUGovernanceGuideline.pdf*[xvi]. With ballot rigging, a group of incumbent directors gains virtually complete power to retain their own director positions indefinitely, to rid themselves of any dissenting directors (by not recommending them for re-election when their term expires), and to fill any vacancies with recruits who share their ideology. Sadly, some co-op directors have used ballot rigging to foil accountability, while retaining their director positions for decades.

With ballot rigging in place, members of a co-operative essentially lose their right to choose directors – ballot rigging is so effective that the elections become meaningless.

Indeed ballot rigging is not only the most powerful of all anti-DMC practices, possibly it is as powerful as all other practices combined. Despite creating an otherwise laudible democratic electoral process – Vancity's board has refused to end ballot rigging, even under persistent pressure from frustrated members. One of Vancity's directors told me in an email that rigged ballots are necessary to have "a coherent and united board, and a consistent message to staff and management about the values supported by the members."[xvii]

Thus we see an ironic argument being given for minimizing members' fundamental right to control: the board needs absolute power to impose its will on management and staff. This argument would have the other control-service-benefit dynamics distorted as well as DMC.

Could FICOM call on all credit unions and other consumer co-operatives to respect the inviolability of the ballot form?

RECOMMENDED: FICOM should issue this clarifying guideline: "All candidates' names shall be shown equally on the ballot form, without preference given to anyone who may have been recommended or endorsed by any directors, committee of the board or executives of the co-op."

NOT ALLOWING PLUMPING OR BULLET VOTING

'Plumping' is often defined as allowing voters to vote for fewer than the number of candidates to be elected.[xviii] This permits voters to concentrate their voting power on those they support, rather than being obligated to also vote for candidates they possibly oppose. For example, in a situation where there are three candidates to be elected from four or more candidates, if plumping is allowed, then rather than casting exactly three votes, a voter can chose to vote for just one or two candidates.

Simple math demonstrates that prohibiting plumping, in combination with rigging (as described above), ensures odds are overwhelmingly stacked against non-recommended candidates. We are unaware of a single instance of a non-recommended candidate getting even close to being elected where plumping is banned. Members are forced to 'hold their nose' and vote for candidates they may abhor in order to register a vote for someone they want.

Note: Vancity allows plumping, Coast Capital does not.

RECOMMENDED: "Members may vote for any number of candidates, but not more than the number of vacancies."

RECOMMENDING CANDIDATES – INDEPENDENCE

On page 10 of *Governance Guideline*, FICOM directs that, "3. The board takes an active role in the director recruitment process by: … establishing a **transparent and independent evaluation process** to compare candidates to the necessary skills and qualities…"[xix] Some credit unions offer no pretense of independence in their evaluation process, with all members of the evaluation team being serving directors, passing judgement on their colleagues who are running for additional terms.

Sitting in on one credit union's evaluation process, we also noted that candidates were not required to provide references, nor was background information checked. Since reference and background checking would be best practices when hiring even an entry level employee, one wonders about the sincerity and competence of the evaluation process – or is this merely a thinly-veiled charade?

RECOMMENDED: "Prior to each AGM and election, a panel of members that is independent from the directors shall be constituted to conduct a transparent evaluation process of candidates."

RECOMMENDING CANDIDATES – NUMBER VS. VACANCIES

Given the overwhelming advantage conferred by a recommendation (as demonstrated by Latham[xx]), it is important that members do have a real choice – democratic elections are not supposed to be coronations or appointments. We know that any evaluation process involving human judgement will not produce perfect recommendations. We also know that many candidates could be qualified; it is best to leave the final decision up to the members. Especially where the evaluators are less than independent from the board, having a different number of recommended candidates versus vacancies helps (re-)establish a modicum of democratic member control, and lessen the power of entrenched boards.

RECOMMENDED: "The number of candidate recommendations shall be less than or more than the number of vacancies, and not equal to the number of vacancies unless there is an acclamation situation."

BARRING CANDIDATES

Some credit unions and co-ops boards have orchestrated the right to veto the candidacy of any member they consider "vexatious" or contrary to the interests of the organization. There is no recourse; reasons for such decisions are not revealed.

Vancity's board has authority to bar candidates (who might be frivolous or harmful to Vancity). So does MEC who barred a former board chair! (See: votermedia.blogspot.ca/2013/04/mec-slides-from-democracy-to-oligarchy.html[xxi].)

There could be some debate about whether other practices are fully anti-democratic or not, but barring candidates is outrageous.

RECOMMENDED: "No member shall be barred from running for the position of director, providing he or she is a member of good standing and is not barred by federal or provincial regulation from serving as a director, and is nominated by ten members."

MEMBER RESOLUTIONS – VETOING, RAISING REQUIREMENTS

Member resolutions and special resolutions are the members' most important mechanism to hold a board accountable. They are the last line of defence against oligarchies and kleptocracies. Without the member resolution capability, DMC is severed.

Yet some boards have moved to place significant (even complete) limits on member resolutions. Specifically, one major co-op board (MEC) has implemented complete power: the board may prohibit (without recourse) any member resolution. MEC's board got members to approve a package of changes to its bylaws including a bylaw stating that only those resolutions approved by the board will be presented for member votes. This means the MEC board has removed members' ability to hold the board accountable.[xxii]

Another example: we learned the board of Coast Capital Savings Credit Union is committed to boosting their member resolution requirements to 1,000 signatures (from the current 300). As justification, the board told members that it had to "waste over $400,000 on individual member resolutions" in 2014. The board did not include the obvious counter-argument that the cost of this legitimate and fundamental exercise in democracy was only about 79 cents per member.

There were at least two other ironies at Coast Capital: what the board's propaganda called "*individual* member resolutions" were each signed by over 400 members (while the board's own counter-resolutions were apparently not signed by any members); and $400,000 was approximately the amount of money by which one of the member resolutions was seeking to reduce the directors' [allegedly highly inflated] annual salaries.

RECOMMENDED: "No credit union shall remove or limit members' basic right to present resolutions and special resolutions."

OVERLY STRICT CONFIDENTIALITY

Insisting on and enforcing overly stringent director confidentiality requirements means there can be no effective dissent on a board. Directors with dissenting opinions (about a motion, about processes, about accountability, about transparency, about fairness, about governance, about elections) cannot EVER take those matters to members. Directors are legally bound to not reveal board matters and discussions, *in perpetuity*.

The folly and danger of allowing a clique of directors holding a majority to pass any motions indefinitely, without accountability and without any system of checks-and-balances, should be obvious. Armed with rigged ballots and limits on campaigning, rogue boards can use confidentially agreements to avoid exposure of self-serving (and member dis-serving) actions, even after they have expunged dissenting directors from the board.

Most boards never hold town hall style meetings, and few directors are willing to meet with members. By avoiding accountability through confidentiality requirements, and controlling all information flow, directors are at risk of 'drinking their own bathwater' and believing their own pronouncements, rationales and propaganda. A healthy flow of information to members (and advice *from* them) is an effective antidote to the potentially dangerous feedback loop of the 'emperor's new clothes' situation of self-aggrandizement and entitlement.

The boards of all large BC credit unions and co-ops appear to be operating with unnecessarily strict confidentiality rules in place. There needs to be more transparency or accountability.

RECOMMENDED: that a study be conducted to review the confidentiality/transparency situation and investigate the feasibility of either Freedom of Information-type regulations, or an Ombudservice, or both.

MAJOR CHANGES ARE PRESENTED IN OMNIBUS RESOLUTIONS, WITHOUT SINCERE CONSULTATION WITH MEMBERS IN ADVANCE – PROVIDING ONLY MINIMAL INFORMATION AND NO PROVISION FOR 'CON' ARGUMENTS

Effective management of any organization is guided by, and measured against, a mission statement, vision and long-term (strategic) plan. Creating these fundamental documents is a prime responsibility of a board – that much is clear. But shouldn't the members have a right to have input into and ratify (or reject) the mission and vision, and the broader aspects of long-term planning? Without accountability and armed with the myriad powers to diminish DMC outlined in this Part, a board can embark on a course that may be diametrically opposed to member wishes.

Unfortunately at some co-ops, members are not involved in decision making, particularly when merging credit unions or changing governance rules. In situations we examined, included in with the revised bylaws required by a merger, are other changes that fundamentally weaken democracy and accountability. (For example, one could review the resolutions for Island Savings joining First West Credit Union.) No counter-arguments are presented to members. No opportunity is given for approving some bylaws and not others.

The DMC principle emphasizes in part that "*Co-operatives are democratic organizations controlled by their members, **who actively participate in setting their policies and making decisions**.*"[xxiii] Of course members cannot be involved in minor matters – that would be a recipe for organizational chaos. Yet for major decisions about the credit union's direction, members have a right to actively participate. After all, they are the owners.

Unfortunately some boards flout the concept of 'participate' in favour of 'obediently ratify'. Surely a plan to convert to a federally-administered credit union (as Coast Capital's board is reportedly intent on doing) is a decision of significant magnitude that members should be actively participating. Yet the board is planning on presenting a done-deal to members – presenting an omnibus resolution for ratification with only their pro rationales. Rather than engaging members meaningfully, the board is currently testing 'messaging' with focus groups to see which 'talking points' are most persuasive.[xxiv]

For major changes, requiring a board to obtain 300 member signatures (or whatever number is required for member resolutions) on a board-initiated resolution would ensure at least some of the membership are given information about and agrees with the proposition.

RECOMMENDED: "FICOM should provide direction to boards, to meaningfully engage members in the setting of strategic direction and the evaluation of proposed major changes, well in advance of presenting resolutions."

and,

RECOMMENDED: "FICOM should provide direction to boards to provide capacity for con arguments about resolutions when seeking approval/ratification at an AGM, and to separate out complex decisions into multiple individual resolutions as much as possible."

and,

RECOMMENDED: "Except in extraordinary circumstances, all board-initiated resolutions should be accompanied by the same number of member signatures as member resolutions."

INSERTING BOARD-SPONSORED COUNTER-RESOLUTIONS TO THWART MEMBER RESOLUTIONS

Immediately prior to Coast Capital Savings Credit Union's 2014 voting, the board introduced four counter-resolutions that mirrored member-initiated resolutions in almost identical wording, yet with significantly different implications. The material accompanying the ballots declared that the future of the credit union was at stake, and urged members to 'save their credit union' by voting only for the board-sponsored resolutions. The resulting voter confusion (and, for many, shock and outrage) resulted in a deadlock fiasco: none of the eight resolutions achieved the 2/3 majority required to become in effect. Ironically, all four member resolutions were to reform governance. Though requested by members to intervene, FICOM declined.

The number of spoiled ballots was enormous – likely a record for this type of vote. Although the returning officer's report was not made available to members to provide detail, typically a high number of spoiled ballots is indicative of confusion, dissatisfaction with the board, or both.

RECOMMENDED: "FICOM should simply ban this tactic, and must respond to members' calls for timely intervention, or delegate this authority to an Ombudservice that is committed to fairness and action."

OVERSIGHT OF ELECTIONS MUST BE INDEPENDENT OF THE BOARD

Generally a committee is struck, ostensibly reporting directly to members, to oversee the election process, including campaigning, evaluating for 'recommended' candidates and overseeing voting. However, in practice, most boards create a committee comprised only of directors not up for re-election. A returning officer is hired, reporting directly to this committee.

Because the committee members are directors, their true independence is unlikely: they are evaluating their colleagues, establishing campaigning rules that can advantage incumbents, ruling on alleged campaigning rule violations by all candidates, supervising the election package that includes information on board-sponsored resolutions they helped create, and overseeing the vote on member resolutions that may impact their pay and other perks. The committee must receive the returning officer's report and take action if improprieties have been noted. This is a recipe for problems.

RECOMMENDED: "FICOM should immediately direct that all elections committees be constituted to be independent of the board, with no sitting directors on the committee."

EXCESSIVE DIRECTOR REMUNERATION

Much could be included about Coast Capital Savings Credit Union's infamous, defiant, ongoing stand against a 79.7%-approved member resolution in 2013 that directors' remuneration be decided by the members.[xxv] The chair was receiving more than the chair of the Canada Pension Plan, and double the amount of his counterpart at Vancity. The members' initiative aimed for reduction so Coast Capital would be on par with other BC credit unions. This is a rich story – tonnes of material for outrage can be mined here. Despite that overwhelmingly supported member resolution, almost two years later the salaries have not been changed. FICOM has been asked to intervene repeatedly, but has chosen not to do so.

Our key informant interviews revealed *all* members contacted have simply left this credit union because of the board's anti-democratic actions, opening accounts elsewhere. Follow-up questions found that many had moved their business to another financial institution but had not bothered to shutter their no-fee accounts at Coast Capital and cancel $5 memberships. The percentage of such dormant accounts is not revealed in the co-op's publicized total count of members, so the direct impact of the board's actions is difficult to measure, but clearly the credit union's public image has been tarnished.

Any outside observer would see that this board is clearly in a conflict of interest situation, and is not acting foremost in the members' interest as is their fiduciary duty.

RECOMMENDED: "FICOM should immediately intervene on this conflict of interest situation, and impose a remuneration schedule in line with other BC credit union boards."

and,

RECOMMENDED: "FICOM should thoroughly investigate to determine if any directors have acted contrary to their fiduciary duty and, if so, have them removed from office."

THWARTING TERM LIMITS

The concept of term limits is steadily gaining traction across the corporate world, and this is putting pressure on co-operative boards (including credit unions). Considerable data have pointed to the folly of allowing directors to remain on a board past the point where they are making a positive contribution.

Predictably, ICD lobbies against term limits (and against accountability to outsiders in general, and anything else that may jeopardize the 'careers' of its membership).[xxvi]

From governance lawyer Richard Leblanc:

> *The academic evidence however does not support excessively long-serving directors, or directors who are serving on multiple boards (known as "over-tenured" and "over-boarded" directors, respectively). Firm value is adversely affected for over-tenured directors. Oversight and long-term performance are compromised for busy boards composed of over-boarded directors…. The fact of the matter is that boards, as self-policing bodies, may be incapable of solving the renewal issue on their own because of entrenchment and self-interest.* [xxvii]

The argument about 'losing institutional memory' can be addressed by the board hiring a former director, whenever necessary, as a consultant/advisor to provide historical perspective on specific issues. Possibly a former director might even provide his or her time *pro bono* in such a situation, out of dedication to the co-op.

Term limits offer co-op members some hope to break up the cliques now controlling some boards. FICOM has issued a guideline to credit union boards about implementing term limits.[xxviii] However, because the guideline is vague, directors have been able to game the rules. One tactic being offered by Coast Capital's board to prolong their incumbencies is to insert a 'starting now' provision. In this way, someone who has now served for over 20 years, and presumably is well beyond his or her 'best-before date' according to term limit studies, could keep a board position for an additional eight or twelve years. And the 'start date' would presumably also be reset with a merger or other change, such as converting to a federally-administered co-operative.

With directors decidedly conflicted about term limits, this matter should not be decided by them.

RECOMMENDED: "FICOM should issue a clear guideline that 'Directors are not eligible for re-election after having served for eight years or two consecutive terms, whichever is longer. A director may be a candidate again after a two-year hiatus.'"

COMING SOON? REMOVING MEMBERS' ABILITY TO VOTE FOR DIRECTORS?

There appears to be a movement within government agencies, some societies and foundations to remove members' power to elect board directors entirely. The board appoints replacement directors with or without member input. For examples, see Greater Victoria Harbour Authority and Victoria Airport Authority. Is this practice coming to co-operatives and credit unions who share directors with such anti-democratic organizations?

NOT PRESENTING ANNUAL REPORT UNTIL CANDIDATE VOTING IS OVER

Some boards are not making the annual report available to members before voting for directors is closed. This despite members wanting to use that document to assess the performance of incumbent directors who are running again. For example, members might wish to consider what compensation these incumbent directors received in the previous year, and their attendance. In the absence of an audited annual report, DMC, accountability and transparency are compromised.

RECOMMENDED: "FICOM should issue a clear guideline that the audited annual report must be available before voting for directors and resolutions begins."

INADEQUATE AUDITS AND PERENNIAL AUDITORS

Co-operative principle #7 is *concern for community*.[xxix] Most would interpret that concern as wider than routinely audited financial performance. While some co-ops are international leaders in multi-faceted audits, many others are not making even a pretence of measuring social and environmental impacts. Given that banks and most corporations now have some form of triple-bottom-line or sustainability reporting,[xxx] one wonders about the mindset of some co-op directors, and about the competence of their hired auditors, when no reporting is done at all.

As well, we noted risk assessments in audited financial reports that fail to include any mention of climate change – perhaps the defining issue of this generation. How heavily is the credit union committed to investments in fossil fuels, for example? What about pressures to divest? Possibly stranded assets? Risk to branding?

Why would auditors not insist on reporting on such important and obvious risks? Have they perhaps become too comfortable in a long-running engagement with directors whose ideology is not to be challenged? Have they become too 'close' to directors, and no longer able to deliver 'independent' perspective?

Irrespective of anyone's opinions about corporate social responsibility or climate change, it is widely thought prudent for any organization to change auditors periodically. This offers a degree of protection to stakeholders.[xxxi] No one wants an Enron – Arthur Anderson scenario played out on their watch.[xxxii]

RECOMMENDED: "FICOM should issue a clear guideline that the audited annual report include a full range of social and environmental impact measures."

and,

RECOMMENDED: "FICOM should issue a clear guideline that audit firms may be engaged for no more than five consecutive years."

INSINCERE GESTURES AT MEMBER ENGAGEMENT

Coast Capital offered cash prizes to encourage higher voting turn out in the 2014 elections. Was this altruistic? Were they sincere about wanting to help restore democratic member control and engagement? Or was this done to attract high numbers of un-informed voters who could be mis-informed, to outnumber the twenty thousand plus committed, informed and disgruntled members who were engaged in 2013, voting 79.7% against the board's position of director remuneration?

DRACONIAN CAMPAIGNING RULES

Coast Capital's campaigning rules are almost comical in their audacity. Who could claim to be directing an organization based on 'democratic member control' and then lay down such rules? Veteran international co-operative experts we showed these rules to have never seen anything similar:

- essentially no campaigning is allowed at all; and everything is supervised by a committee comprised entirely of sitting directors;

- the committee decides which candidates will be recommended [and always recommends incumbents];
- the committee then actively dissuades candidates they don't recommend;
- opposing candidates who do any campaigning (beyond a brief statement vetted by the election committee and printed in the mail-out materials) will be disqualified by the committee without a hearing or recourse;
- candidates cannot reveal or admit they are running for office in any emailed correspondence;
- or any other electronic medium (no Facebook, no LinkedIn, no twitter, no instagram, no pintrest, nada);
- or on the phone ("I can neither confirm nor deny");
- or at gatherings (prohibited from speaking about candidacy with more than one member at a time, even if they are family members);
- candidates may not speak to the media, even to respond to questions or articles;
- there must be no advertising;
- no circulation of flyers;
- no websites;
- no signage – any of the above will trigger disqualification;
- candidates may not pledge how they will vote on any issues;
- candidates cannot band together in a slate, etc., etc.[xxxiii]

It seems pretty obvious that directors are out of control in their zeal to protect their turf. None of this fits with a fiduciary duty to represent members' interests over their own self-interest.

Authority to orchestrate this bizarre obstruction of democratic elections has been steadily engineered into omnibus resolutions over many years, indicating a clear pattern of premeditation. Surely this is a case for FICOM intervention.

RECOMMENDED: "FICOM should immediately intervene on this conflict of interest situation, and impose election guidelines in line with other BC credit unions, such as Vancity, until a working group of members can draft new election rules for member vote at the 2016 AGM."

and,

RECOMMENDED: "FICOM should investigate to determine if any directors have acted contrary to their fiduciary duty and, if so, have them removed from office."

Part Four

The International Co-operative Alliance asserts that:

> *It is important for co-operatives themselves to resist any tendency to mimic investor-owned enterprises in operational, management and governance practices which do not reflect the distinctiveness of co-operatives. [Mimicking] can often be the easier option when operating within infrastructure designed for investor-owned businesses, but unless co-operatives resist and fight for appropriate recognition and treatment they risk losing their distinctiveness and commercial advantages through isomorphic behaviour.*[xxxiv]

It could be argued that more is at stake than the loss of 'distinctiveness and commercial advantages' that ICA warns about. A number of changes are happening in society that combine to magnify the risk of anti-DMC stances. There is potential for a 'perfect storm' with some boards sailing blindly into danger. We'll use Coast Capital as an example in the following commentary.

Mobile means less loyalty, easier to switch. As banking becomes more mobile, members – especially young adults – are less attached to 'local' and not averse to seeking 'better' alignment of service (better rates and/or social/environmental values, for example). With mobile, having the physically closest branch is no longer a significant factor in client loyalty. One key informant in Surrey we interviewed said she banks with a credit union in Manitoba (where she moved from 15 years ago), a housing co-operative in Australia (for best interest on deposits), and President's Choice (online and at her nearby grocery store). She recently emptied her Coast Capital account (a branch located in the same plaza). Moving her money happened in seconds using eTransferring. The free account is still open, her membership still active – no one from the credit union has inquired, no exit interview was conducted.

Value clash is real. More than half of British Columbians in the Metro Vancouver area oppose the Kinder Morgan expansion, with a higher percentage for women and those aged 18-to-34. These are the core demographics of Coast Capital's current and potential membership. "Women and the youngest residents are decidedly more forceful in their opposition," according to pollster Insights West.[xxxv] Yet the word 'sustainability' does not appear on Coast Capital's website, nor in its annual report. There is no mention at all of climate change or GHGs. The values of the board and management are totally out of sync with those of the majority of the members on this issue. Dangerous.

Social activism is easier, faster and more powerful than ever before.[xxxvi] The level of awareness and mobilization that took Ralph Nader a decade to create, is now happening in days as everyone is connected electronically. Members disgruntled about rigging ballots and fossil fuels could use crowdfunding to quickly raise a few thousand dollars to hire a campaigner and build a simple-to-read website and video pitch, then alert thousands within minutes using online petitions through Change.org, Sumofus, Leadnow or Avaaz, etc.[xxxvii] Once the petition reaches a minimum local response level, Avaaz, for example, will send it to tranches of its 41.9 million members worldwide.[xxxviii] Across Twitter, Instagram, Facebook the shame-publicity would mount, demanding the end to rigging ballots and supporting fossil fuels. 'BOOM' – the issue will 'blow up' across social media. Reddit, *Vice, Huffington Post* and other online media will pick up a cause that is 'trending' and accelerate the spread to mainstream media (TV, radio, print). There will be calls for the Premier to intervene to remove the embattled directors.

Meanwhile a legal challenge could be launched. Pro bono or crowdfunded legal experts could ask BC's Supreme Court to rule elections invalid on grounds that the 'rigged' ballots and other practices are anti-democratic and therefore illegal. The credit union board would be forced to defend its counter-intuitive stance to an incredulous public.

Branding can be quickly destroyed. Coast Capital has invested millions in the production and broadcast of television commercials and sponsorships to sculpt and boost its brand. A protest campaign could indelibly link the credit union with unsavoury images and concepts, jeopardizing its hold on current members and ruining prospects for new members. The image of other credit unions and co-operatives in BC could be adversely impacted by association: "Are all credit unions phoney and misguided?"

Move Your Money campaigns are effective. A reform campaign in the US called 'Move Your Money' got massive attention and resulted in over 10 million customers switching out of major US banks.[xxxix] MoveYourMoney.org in the UK organizes polls, then tells financial institutes that, "X% of your customers would be unhappy if they found out their money funded fossil fuels." Individuals are urged to: *Take action now and put your bank on notice – 'either you divest, or I will.'* Their website says, *"We're launching a campaign to help you give your bank a simple ultimatum: either they disclose their investments and vow to take your money out of fossil fuels, or you'll take your money out of their accounts."* Major 'high street' banks have responded quickly to change their policies.

What percentage of Coast Capital's members leaving (and withdrawing how much money) would it take to trigger a full 'run on the bank'? Wouldn't it be better for everyone to remove the risks by reforming FIA and CUIA, and directing FICOM to do its oversight job properly?

Part Five

BAD APPLES

The entire co-operative movement in BC is being tarnished in the marketplace by the existence of 'bad apple' governance situations. There are boards where shoddy governance is totally ingrained and directors appear oblivious to the full implications of what they are doing. There is arguably a significant financial risk in not dealing with the governance issue. In this modern era, bad news, tarnished reputations and negative opinions can spread at Internet speed, wreaking havoc on carefully built images and branding.

"The credit union used to be about local members; now it has become just like the big banks. All they care about is the people at the top," is a not-uncommon sentiment expressed by members, even by staff. A credit union once considered as 'ours' has become 'them'. Danger signals should be flashing and ringing.

Likely no single co-operative or credit union has adopted every one of the questionable governance practices described above. However, after honest self-appraisal, likely every co-operative and credit union is 'guilty' of at least one dubious practice. So, what can be done to draw people together to shine a light on governance practices, go back to founding principles, and implement reformed governance? How does this happen without damaging credit union and co-operative's image in the marketplace?

OPPORTUNITY

Of course, from every crisis comes opportunity. A renewal initiative could examine what new, improved practices are possible in this age of online interconnectivity. Going back to fundamentals will strengthen every organization at every level. Boards that are poor performers can be nudged back on track before some sh*t-storm erupts in the media and across social media and destroys their brand, tarnishing the whole movement.

Could BC become an innovator in modern co-operative governance? Would a reform and renewal initiative bring a fresh, positive image and hope to current members, restoring their pride of membership, and strengthening the organization and our communities? And could witnessing the seven principles in practice attract new members?

RECOMMENDATIONS

We found no shortage of problems or risks during our research, as should be clear from the previous four parts. Rectifying these issues will require willingness and determination on the part of the Provincial Government to protect the interests of co-op members, society and the Government's own coffers.

If the review panel is sincere about tackling the problems, FIA and CUIA need to be revised and, more importantly, the administering agency (FICOM) must be directed by Government to actually monitor practices and intervene promptly and forcefully. The governance practices described in Part 3 can inspire a list of audit criteria for FICOM.

It might be useful to create an Ombudservice that is charged with investigating and acting on complaints from members-as-consumers. But what is more urgently needed, given the current pattern of hiding from responsibility by FICOM, is an Ombudservice that investigates and acts on complaints from *members-as-owners* of the co-operatives. Without legislative authority and some backbone from their political masters, neither FICOM nor an Ombudservice will be effective at countering anti-DMC trends in BC's large co-operatives and credit unions.

Co-operatives enjoy favourable tax treatment and credit unions also benefit from Provincial guarantees on member deposits. When a co-operative abuses the fundamental principles of democratic member control and concern for community, it arguably ceases to be a genuine co-op. Should it continue to receive the benefits?

> *[Establishing a minimum criteria for being considered a co-operative] will be essential where, for example, different fiscal or regulatory treatment is afforded to co-operatives, because otherwise there will be false claims to entitlement.*
>
> — Mills and Davies[xl]

The review panel is advised to review practices and rules in other jurisdictions. For example, the European Research Institute on Cooperative and Social Enterprises (EURICSE) has a Study Group on European Co-operative Law (SGECOL) that has created a draft Principles of European Co-operative Law (PECOL).[xli]

Thank you for receiving and considering this submission.

Respectfully submitted,

(original signed)

Bruce Trelawny Batchelor
15 September 2015

ENDNOTES

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[iv] Ibid. page 2.
[v] Ibid. page 8.
[vi] Ibid. page 23.
[vii] Brown L et al, editors (2015). *Co-operatives for Sustainable Communities: Tools to Measure Co-operative Impact and Performance.* Ottawa: Co-operatives and Mutuals Canada & Centre for the Study of Co-operatives.
[viii] Appendix in document found at http://votermedia.org/publications/WeWantOurCo-opsBack.pdf
[ix] Financial Institutions Commission (BC) (2013). *Governance Guideline*. Victoria: BC Government
[x] See www.votermedia.blogspot.ca/2014/03/vote-for-member-democracy-coastcapital.html.
[xi] See www.votermedia.blogspot.ca/2014/03/vote-for-member-democracy-coastcapital.html.
[xii] https://www.icd.ca/About-the-ICD/What-We-Do/Vision-and-Mission.aspx
[xiii] "Our goals are to: … Provide a forum for directors to network and share learning experiences; [and] Support directors in their career advancement." https://www.icd.ca/About-the-ICD/What-We-Do/Vision-and-Mission.aspx
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[xv] Financial Institutions Commission (BC) (2013). *Governance Guideline*. Victoria: BC Government
[xvi] *http://votermedia.org/publications/MarkLathamCommentsOnFICOMDraftCUGovernanceGuideline.pdf*
[xvii] Private emailed correspondence, April 2015, name withheld.
[xviii] See, for example, http://politicsrespun.org/2008/11/plumping-the-municipal-election/#sthash.Ar0exXbe.dpbs
[xix] Financial Institutions Commission (BC) (2013). *Governance Guideline*. Victoria: BC Government
[xx] *http://votermedia.org/publications/MarkLathamCommentsOnFICOMDraftCUGovernanceGuideline.pdf*
[xxi] votermedia.blogspot.ca/2013/04/mec-slides-from-democracy-to-oligarchy.html
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[xxiii] Mills C and Davies W (2013). *Blueprint for a Co-operative Decade.* Oxford: International Co-operative Alliance.
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[xxv] See coastcapitalsavings.com/About_Coast_Capital_Savings/Corporate_Information/Governance/Board_Of_Directors/Ordinary_and_Special_Resolution/Members_Resolution
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[xxvii] Leblanc R (September 20 2013). *How long is too long for board directors?* Toronto: Canadian Business. Available at http://www.canadianbusiness.com/blogs-and-comment/how-long-is-too-long-for-board-directors/

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[xxix] Mills & Davies (2013).
[xxx] See http://www.timescolonist.com/pension-managers-must-consider-climate-change-risks-legal-study-1.2052406
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[xxxii] https://en.wikipedia.org/wiki/Arthur_Andersen
[xxxiii] http://coastcapitalcompensationwatch.files.wordpress.com/2013/12/2014-campaign-regulations.pdf
[xxxiv] Mills & Davies (2013). page 26.
[xxxv] See http://www.insightswest.com/news/most-british-columbians-oppose-the-northern-gateway-project/
[xxxvi] See http://www.macleans.ca/society/life/armchair-activists-have-rarely-been-so-numerous-or-powerful/
[xxxvii] See http://www.npr.org/2012/03/16/148556371/petitions-are-going-viral-sometimes-to-great-success
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