

**CO-OPERATIVE WORKPLACES, COLLABORATIVE  
COMMUNITIES: AN INTRODUCTION TO ECONOMIC  
SELF-HELP AND MUTUAL AID**

**JOYCE ROTHSCHILD**

*Virginia Tech, Blacksburg, Virginia*

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As readers of this *Journal* know, today self-help groups number in the hundreds of thousands, and they bring together people who wish to address a very wide variety of burdens—from parents of children with various types of disabilities to children with parents with various sorts of troubles. In each group, however, the method is the same: peers come together who are confronting the same type of problem and by creating a non-judgmental context in which they can share their lived experiences as equal persons, they seek to inspire the insight and courage necessary for personal acceptance and change.

In the last several decades, in a parallel universe, thousands of people, in this country and in many others, with a common *economic* need—to earn a livelihood, to have a decent place to live, to have nutritious food—have also come together on an equal footing to build self-managing organizations in which they can earn a living or provide for their food or shelter. They have created all sorts of experiments in cooperative workplaces and collaborative communities—from hybrid organizations like SEWA in India that are part union, part cooperative to micro-credit groups of five women each in the villages of Bangladesh to the workers' cooperatives in developed nations like the United States. In the examples of cooperatives and self-reliant communities reported in this volume, as in the self-help groups, members reject the conventional dictates of bureaucratic rules and hierarchal relationships because they have found them self-defeating,

and in place of hierarchy, they have developed organizational practices that allow for maximum voice of each individual, the shared doing of many tasks and deeply personal relationships. As in self-help groups, people in cooperatives have found that they can learn more and develop their capacities more fully when they are part of an egalitarian and democratic group that is managing its own affairs, rather than taking orders from a “boss” or a professional who is presumed to know more than they know.

While the self-help groups and the self-sustaining cooperatives and communities have many practices and principles in common, interestingly they have developed separately and without much knowledge of each other. The purpose of this special volume of *IJSHSC* is to bring to those who know so much about the self-help groups, the experiences of the cooperative communities, so that they can see how principles of self-help and mutual aid are applied where the common need is *economic* in nature. In turn, the purpose is also to bring to scholars who study cooperatives and communities the insight that their practices and goals have much in common with the self-help groups that seek personal sharing and the support that can come only from that sharing of experience. In short, the purpose of this volume is to encourage the cross-fertilization of ideas from two different movements that know too little about each other, and yet have come to remarkably similar organizational practices and conclusions as to how best to create organizations that allow their members to feel free, engaged, powerful, and mutually supported.

What are these common principles of organization? The articles in this volume suggest them in many ways. We begin with an elegant typology developed by Mook, Chan, and Quarter. This typology arrays cooperatives and self-help groups along two dimensions: the degree of mutuality (or extent the organization serves its own members versus the public) and the degree of economic formality of the organization (at the informal end volunteers produce economic value whereas at the formal extreme only paid staff create economic value). Nine types of organizations are described by cross tabulating the two dimensions. They discuss examples of self-help and cooperative organizations that emerge from their schema and thus show how the two traditions of research are related. They conclude that self-help and mutualism share common values but self-help/mutual aid groups traditionally filled a specialized niche often with health issues, either revolting against professional solutions, or filling gaps or supporting professional services.

Turning to an in-depth, qualitative analysis of economic co-operatives, scholar Amanda Huron sets her research sights on 10 (of 85) housing co-operatives in Washington, D.C. These housing co-ops came about as a result of a local law in D.C., passed in 1980, that allowed renters in a building whose owner planned to convert the building to condominiums, the right of first refusal. In other words, they could collectively purchase the building, if they wished, thereby preserving their housing and at a reasonable price. As Borkman (1999) has emphasized,

self-help is less about the individual and more about the inter-connectedness of a group of people. In this sense, self-help and mutual aid provide a modern-day “commons,” a non-commodified space in which people can come together freely and for mutual support. As Huron well shows, this is exactly what the housing co-operatives of D.C. (also called LEC’s or Limited Equity Co-ops) provide.

First, the tenants purchase their building precisely because they want to have control over their housing destiny; they don’t want to be subject to the whims or winds of market forces or outside owners’ control. This goes to a very basic principle of self-help: self-determination. As discussed by Riessman (1997), members of self-help groups want to run their own affairs, not be controlled by outside authorities, and importantly, the transformative potential of the group comes about *because* the group allows members themselves control over this important aspect of their lives. Without self-determination, the transformative potential of these groups would be lost, and this is, indeed, exactly what Huron finds in her housing co-operatives. Second, just as Borkman (1999) found that stutterers were able to help each other by sharing their stories and learning from their shared experiences, Huron shows that experience-based learning is exactly what lies at the heart of the bonds and capacities that arise in her housing co-ops. Finally, just as social homogeneity—all members sharing a common trouble or circumstance—is what brings members of self-help groups together (Riessman, 1997), this is exactly what brings members of would be housing cooperatives together. All members have been threatened with losing their homes, so they join hands to overcome this threat. Huron warns that, as in any self-help group, these initial bonds that glue the group together can, over time, disintegrate, as when, for example, the market value of the property goes up and so the group, once “in it together,” votes to convert the building to a market-based condo, thus commodifying ownership, making money, and leaving. Indeed, with co-operatives of all kinds, the attraction of the market is ever-present: If they are “successful” (financially) they will at some point be able to cash out their original investment (at much higher prices) and leave. As with any self-help group, if the bonds of shared experience, mutual support, and self-determination are no longer of great value in themselves, then the group will likely cash out to the highest bidder and disintegrate as a group. But, the meaning of self-determination and the bonds that come from shared experience and friendship should not be under-estimated.

As Beth Hoffman demonstrates in her piece on workers’ co-operatives, democratically managing a workplace together brings a sense of dignity to people’s work that cannot come from working for someone else. Marx wrote in the mid-19th century of the condition of “alienated labor” that comes in industrialized societies specifically from the *loss* of worker control over the pace, process, and product of one’s labor. It follows that the only way that people can *re-claim dignity* in their work is to *re-claim control* (i.e., self-determination) over the processes of their work and an ownership stake in the product of their labor. As

Hoffman shows in her careful examination of matched samples of workplaces in three arenas (coal mining, taxi driving, and organic food distribution), in all kinds of work, men and women who work develop far closer bonds of trust (which enables them to resolve tensions that may arise) when they share the experience of having put years of “sweat equity” into building their firms and when they work and decide things on a more equal footing. Additionally, they get a greater sense of power and dignity from their work when they democratically share the experience and responsibility for managing their firms. No type of capitalist-owned enterprise can yield the same result, as it is the experience of working in concert with others, respecting each other, and participating as equals in the management of the enterprise that yields maximum dignity at work (Hodson, 2001). Thus, from Hoffman’s research we see that it is the self-management in the governance of the co-op, the shared experience in the development of the co-op, the reduced hierarchy of the cooperative way, and the vastly more equal pay and say that gives rise to the greater reward, sense of empowerment, greater conflict resolution possibilities, and dignity that comes from co-operative work. As in any self-help group, the founding members of the workers’ co-operative had a common problem or challenge: they needed a livelihood to support themselves and their families, but instead of seeking individual answers (the conventional way—seeking a job for themselves alone), they build a collective (a group) answer. *Together* they build their economic future: each contributing and respecting each other to resolve whatever conflicts arise and to help make the best decisions to grow the firm they founded and own and manage on an equal footing.

Professor Rhonda Phillips turns our attention to the nexus between cooperative development and the development of the community of which it is a part. In Burlington, Vermont, the location of her study, the Onion City Food Co-op had already established a presence, when the need arose to develop a source for food in the middle of the downtown area. The city could have chosen to go with the conventional supermarket purveyors of food, but instead, they chose to give the co-operative way the nod. In partnership with the federal government (via the USDA), the local government of Burlington and many non-profit organizations in the area, City Market was established, serving as a source of nutritious food for all who came to the City Market, while also expanding beyond the purview of most food cooperatives to serve meals to seniors and to the poor through many local organizations. City Market is now viewed as a model, not only of a large food cooperative, but as the lynchpin in a city’s desire to develop their whole downtown area. Phillips’ work reminds us that food cooperatives begin, as all self-help groups do, with a common need: the need for food security is basic, and is not readily available to all. This is the common need that inspires the food co-ops, which now number at around 5000 in the United States. Importantly, Phillips shows how a member-driven, democratically managed cooperative organization can catalyze much bigger community

development, making cooperative and egalitarian relations a way of life for a whole town. In this way, Phillips' discussion of the development of the City Market in Burlington substantiates an important point made by earlier social scientists (Buber, 1960; Gibson-Graham, 2006; Rothschild & Whitt, 1986) that smaller cooperative, voluntary, and egalitarian efforts can serve as exemplars, giving rise to more egalitarian relations and authentically democratic ways of organizing in the larger society.

Dr. Keith Hollinger extends Dr. Phillips' theme of linking the economically-driven co-operative model to broader community development, but he applies his investigation at the international level with his discussion of the indigenous people in the Chiapas region of Mexico. With a history of hundreds of years of exploitation both from the government of Mexico and from foreigners offering "foreign aid," he shows that the indigenous people of Chiapas had developed a deep-seated distrust of hierarchal institutions. Faced with a new economic crisis brought about by the passage of NAFTA, they organized to resist and survive. This resistance, best known for the *Zapatista* movement it spawned, led them to create leaderless, extremely democratic ways of organizing their community governance coupled with local and regional co-operatives to sustain their regional economy. Like Phillips, Hollinger shows how the cooperatives provide a key part of the larger self-reliant communities/region they are seeking to sustain.

### **LESSONS LEARNED: ORGANIZATIONAL PRINCIPLES THAT LINK COOPERATIVES AND SELF-HELP GROUPS**

What are some of the key lessons from these excellent studies of co-operative organizations that can be applied to the self-help movement? There are six that I tease out of these studies and wish to emphasize. First and foremost, co-operatives provide a living example of *economic* self-help and mutual aid. Like other self-help groups, they form out of a common predicament: in this case, out of members' common need for food, housing, or to earn a livelihood, and particularly where the environment is threatening the fulfillment of these economic needs. Because the founders and/or members of a cooperative find each other and come together out of a common predicament or hardship they are seeking to overcome, researchers of self-help groups (Riessman, 1997) and of workers' co-operatives (Rothschild-Whitt, 1979) note that they are homogeneous groupings from the start. Second, co-operatives have learned through *praxis* that self-governance of their organizations, with each individual member regarded formally as equal to every other member, is key to their sustainability and success. This is why "one person—one share—one vote" was enshrined in the Rochdale Principles of Cooperation, originally drafted in 1844. Without self-determination in the operation of the organization, self-help groups (Borkman, 1999; Riessman, 1997), like co-operatives (Hahnel, 2005; Rothschild & Whitt, 1986) would not have the empowerment and transformational potential that they have. Third, co-operative

organizations and movements have learned over time that only by demystifying knowledge so that *all members* can learn from shared experiences and from the doing of shared tasks, can they develop the fellowship, the empathy, and the insight necessary for governing their organizations well. This is also the only effective route for avoiding oligarchy in their organizations (Leach, 2006; Rothschild-Whitt, 1979). Similarly, Borkman (1999) finds that the *only* way self-help groups can produce lasting insights and personal transformation is through shared experience-based learning. Fourth, importing outside “experts” to make decisions or lead the way leads only to organizational hierarchy and member disinterest and apathy, not the desired outcome of these organizations. This has been found, again and again, in the self-help groups (Borkman, 1999; Katz, 1993) as in the co-operatives discussed in this volume. Fifth, coming to each others’ mutual aid is a principle as embedded in the cooperative movement (and also one of the original Rochdale principles of cooperation set forth in 1844), as it is in the self-help movement. Sixth and finally, because an organization is a cooperative or a self-help group and devoted to each of its members’ development does not mean that tensions do not arise in these groups. They do, a point that Hoffman illustrates very well in her analysis in this volume. In some cooperatives as in some self-help groups, some members see benefit in moving away from the groups’ egalitarian and directly democratic methods, always in the name of “efficiency” or outside pressures, to a more hierarchal, expert-based administration. When organizations do this, they end up resembling the bureaucratic organizations they were intended to counter, and once hierarchal relations become entrenched, the group can no longer focus on building the human capacity of all members equally (Borkman, 2006; DiMaggio & Powell, 1983; Gibson-Graham, 2006; Rothschild & Whitt, 1986; Traunstein, 1984). Justifications to go the hierarchal way sometimes hold sway in these groups (Katz, 1993), and it is sometimes the way to more grants, accounts, bigger size, or more money, but it is rarely the way to more human growth or mutual support.

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Direct reprint requests to:

Joyce Rothschild  
School of Public and International Affairs  
Virginia Tech  
Blacksburg, VA 24061-0113  
e-mail: joycevt@aol.com